SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended March 31, 2005

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number: 1-14267

REPUBLIC SERVICES, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	**65-0716904**
(State of Incorporation)	*(IRS Employer Identification No.)*
110 S.E. 6TH STREET, 28TH FLOOR **FT. LAUDERDALE, FLORIDA**	**33301**
(Address of Principal Executive Offices)	*(Zip Code)*

Registrant's Telephone Number, Including Area Code: **(954) 769-2400**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes ☑ No o

On April 29, 2005, the registrant had outstanding 137,239,851 shares of Common Stock, par value $.01 per share.

REPUBLIC SERVICES, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

REPUBLIC SERVICES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	March 31, 2005 (Unaudited)	December 31, 2004
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 71.8	$ 141.5
Accounts receivable, less allowance for doubtful accounts of $17.2 and $18.0, respectively	246.1	268.7
Prepaid expenses and other current assets	73.7	76.4
Deferred tax assets	9.9	9.9
Total Current Assets	401.5	496.5
RESTRICTED CASH	224.1	237.0
RESTRICTED MARKETABLE SECURITIES	38.9	38.7
PROPERTY AND EQUIPMENT, NET	2,039.8	2,008.8
GOODWILL, NET	1,550.5	1,562.7
INTANGIBLE ASSETS, NET	30.2	30.2
OTHER ASSETS	96.0	90.7
	$ 4,381.0	$ 4,464.6
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 110.0	$ 119.6
Accrued liabilities	136.5	135.3
Deferred revenue	82.2	99.7
Notes payable and current maturities of long-term debt	20.4	2.4
Other current liabilities	102.0	89.6
Total Current Liabilities	451.1	446.6
LONG-TERM DEBT, NET OF CURRENT MATURITIES	1,351.0	1,351.9
ACCRUED LANDFILL AND ENVIRONMENTAL COSTS	259.1	253.5
DEFERRED INCOME TAXES	428.1	406.5
OTHER LIABILITIES	145.9	133.6
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, par value $.01 per share; 50,000,000 shares authorized; none issued	—	—
Common stock, par value $.01 per share; 750,000,000 shares authorized; 186,155,539 and 185,750,304 issued, including shares held in treasury, respectively	1.9	1.9
Additional paid-in capital	1,412.2	1,399.4
Deferred compensation	(3.1)	(1.0)
Retained earnings	1,270.7	1,222.6
Treasury stock, at cost (41,080,800 and 35,168,400 shares, respectively)	(939.5)	(750.4)
Accumulated other comprehensive income, net of tax	3.6	—
Total Stockholders' Equity	1,745.8	1,872.5
	$ 4,381.0	$ 4,464.6

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share data)

	Three Months Ended March 31,	
	2005	2004
REVENUE	$ 677.2	$ 637.3
EXPENSES:		
Cost of operations	418.7	403.5
Depreciation, amortization and depletion	61.1	58.0
Accretion	3.5	3.3
Selling, general and administrative	74.4	62.5
OPERATING INCOME	119.5	110.0
INTEREST EXPENSE	(19.9)	(20.7)
INTEREST INCOME	2.5	2.0
OTHER INCOME (EXPENSE), NET	3.5	.5
INCOME BEFORE INCOME TAXES	105.6	91.8
PROVISION FOR INCOME TAXES	40.1	34.9
NET INCOME	$ 65.5	$ 56.9
BASIC EARNINGS PER SHARE	$ .44	$ .36
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	148.2	156.0
DILUTED EARNINGS PER SHARE	$ .43	$ .36
WEIGHTED AVERAGE COMMON AND COMMON EQUIVALENT SHARES OUTSTANDING	151.0	158.4
CASH DIVIDENDS PER COMMON SHARE	$ .12	$ .06

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in millions)

	Common Stock		Additional Paid-In Capital	Deferred Compensation	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income	Comprehensive Income
	Shares, Net	Par Value						
BALANCE AT DECEMBER 31, 2004	150.6	$ 1.9	$ 1,399.4	$ (1.0)	$1,222.6	$(750.4)	$ —	
Net income	—	—	—	—	65.5	—	—	$ 65.5
Cash dividends	—	—	—	—	(17.4)	—	—	—
Issuance of common stock	.3	—	9.6	—	—	—	—	—
Issuance of restricted stock and deferred stock units	.1	—	3.2	(3.2)	—	—	—	—
Amortization of deferred compensation	—	—	—	1.1	—	—	—	—
Purchase of common stock for treasury	(5.9)	—	—	—	—	(189.1)	—	—
Change in value of investments, net of tax	—	—	—	—	—	—	.1	.1
Change in value of derivative instruments, net of tax	—	—	—	—	—	—	3.5	3.5
Total comprehensive income	—	—	—	—	—	—	—	$ 69.1
BALANCE AT MARCH 31, 2005	145.1	$ 1.9	$ 1,412.2	$ (3.1)	$1,270.7	$(939.5)	$ 3.6	

The accompanying notes are an integral part of this statement.

REPUBLIC SERVICES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Three Months Ended March 31,	
	2005	2004
CASH PROVIDED BY OPERATING ACTIVITIES:		
Net income	$ 65.5	$ 56.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	40.5	37.1
Landfill depletion and amortization	18.9	19.6
Amortization of intangible and other assets	1.7	1.3
Accretion	3.5	3.3
Amortization of deferred compensation	1.1	.7
Deferred tax provision	20.0	15.0
Provision for doubtful accounts	.9	.6
Income tax benefit from stock option exercises	2.2	2.7
Gain on sale of businesses	(2.9)	—
Other non-cash items	.1	.1
Changes in assets and liabilities, net of effects from business acquisitions and dispositions:		
Accounts receivable	20.0	(1.9)
Prepaid expenses and other assets	1.4	60.0
Accounts payable and accrued liabilities	(8.3)	(20.6)
Other liabilities	3.0	15.5
	167.6	190.3
CASH USED IN INVESTING ACTIVITIES:		
Purchases of property and equipment	(50.2)	(38.8)
Proceeds from sale of property and equipment	.5	1.7
Cash used in business acquisitions, net of cash acquired	(2.5)	(1.2)
Cash proceeds from business dispositions	28.8	—
Amounts due and contingent payments to former owners	(.7)	(1.2)
Change in restricted cash	12.9	(2.4)
Change in restricted marketable securities	(.1)	(2.5)
	(11.3)	(44.4)
CASH USED IN FINANCING ACTIVITIES:		
Proceeds from notes payable and long-term debt	3.8	—
Payment of premium to exchange notes payable	(27.6)	—
Payments of notes payable and long-term debt	(2.4)	(2.7)
Issuance of common stock	7.4	14.2
Purchases of common stock for treasury	(189.1)	(93.1)
Cash dividends	(18.1)	(9.3)
	(226.0)	(90.9)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(69.7)	55.0
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	141.5	119.2
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 71.8	$ 174.2

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(All tables in millions, except per share data)

1. BASIS OF PRESENTATION

Republic Services, Inc. (together with its subsidiaries, the "Company") is a leading provider of non-hazardous solid waste collection and disposal services in the United States.

The accompanying Unaudited Condensed Consolidated Financial Statements include the accounts of the Company and have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. All significant intercompany accounts and transactions have been eliminated. Certain information related to the Company's organization, significant accounting policies and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted. In the opinion of management, these Unaudited Condensed Consolidated Financial Statements reflect all material adjustments (which include only normal recurring adjustments) necessary to fairly state the financial position and the results of operations for the periods presented, and the disclosures herein are adequate to make the information presented not misleading. Operating results for interim periods are not necessarily indicative of the results that can be expected for a full year. These interim financial statements should be read in conjunction with the Company's audited Consolidated Financial Statements and notes thereto appearing in the Company's Form 10-K for the year ended December 31, 2004.

The Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States and necessarily include amounts based on estimates and assumptions made by management. Actual results could differ from these amounts. Significant items subject to such estimates and assumptions include the depletion and amortization of landfill development costs, liabilities for final capping, closure and post-closure costs, valuation allowances for accounts receivable, liabilities for potential litigation, claims and assessments, and liabilities for environmental remediation, deferred taxes and self-insurance.

On December 16, 2004, the Financial Accounting Standards Board issued Statement of Financial Standards No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"), which is a revision of SFAS 123, "Accounting for Stock-Based Compensation" ("SFAS 123").
SFAS 123(R) supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees," and amends SFAS 95, "Statement of Cash Flows." Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. The Company plans to adopt SFAS 123(R) on January 1, 2006 using the modified-prospective approach. The impact of the adoption of SFAS 123(R) cannot be predicted at this time because it depends on levels of share-based payments granted in the future.

There are no other new accounting pronouncements that are significant to the Company.

2. ACCRUED LANDFILL AND ENVIRONMENTAL COSTS

Landfill, Environmental and Legal Costs

A summary of landfill and environmental liabilities is as follows:

	March 31, 2005	December 31, 2004
Landfill final capping, closure and post-closure liabilities	$ 222.4	$ 216.8
Remediation	53.4	54.0
Environmental and legal costs	3.7	3.7
	279.5	274.5
Less: Current portion (included in other current liabilities)	(20.4)	(21.0)
Long-term portion	$ 259.1	$ 253.5

Life Cycle Accounting

The Company uses life cycle accounting and the units-of-consumption method to recognize certain landfill costs over the life of the site. In life cycle accounting, all costs to acquire and construct a site are capitalized, and charged to expense based upon the consumption of cubic yards of available airspace. Costs and airspace estimates are developed annually by engineers. These estimates are used by the Company's operating and accounting personnel to annually adjust the Company's rates used to expense capitalized costs. Changes in these estimates primarily relate to changes in available airspace, inflation and applicable regulations. Changes in available airspace include changes due to the addition of airspace lying in probable expansion areas.

Total Available Disposal Capacity

As of March 31, 2005, the Company owned or operated 59 solid waste landfills with total available disposal capacity of approximately 1.8 billion in-place cubic yards. Total available disposal capacity represents the sum of estimated permitted airspace plus an estimate of expansion airspace that the Company believes has a probable likelihood of ultimately being permitted.

Probable Expansion Airspace

Before airspace included in an expansion area is determined as probable expansion airspace and, therefore, included in the Company's calculation of total available disposal capacity, the following criteria must be met:

1. The land associated with the expansion airspace is either owned by the Company or is controlled by the Company pursuant to an option agreement;

2. The Company is committed to supporting the expansion project financially and with appropriate resources;

3. There are no identified fatal flaws or impediments associated with the project, including political impediments;

4. Progress is being made on the project;

5. The expansion is attainable within a reasonable time frame; and

6. The Company believes it is likely the expansion permit will be received.

Upon meeting the Company's expansion criteria, the rates used at each applicable landfill to expense or accrue costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted to include probable expansion airspace. These rates are also adjusted to include all additional costs to be capitalized or accrued associated with the expansion airspace.

The Company has identified three steps that landfills generally follow to obtain expansion permits. These steps are as follows:

1. Obtaining approval from local authorities;

2. Submitting a permit application with state authorities; and

3. Obtaining permit approval from state authorities.

Once a landfill meets the Company's expansion criteria, management continuously monitors each site's progress in obtaining the expansion permit. If at any point it is determined that an expansion area no longer meets the required criteria, the probable expansion airspace is removed from the landfill's total available capacity and the rates used at the landfill to expense costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted accordingly.

Capitalized Landfill Costs

Capitalized landfill costs include expenditures for land, permitting costs, cell construction costs and environmental structures. Capitalized permitting and cell construction costs are limited to direct costs relating to these activities, including legal, engineering and construction associated with excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells and other costs associated with the development of the site. Interest is capitalized on landfill construction projects while the assets are undergoing activities to ready them for their intended use. Capitalized landfill costs also include final capping, closure and post-closure assets accrued in accordance with Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations" ("SFAS 143"), as discussed below.

Costs related to acquiring land, excluding the estimated residual value of unpermitted, non-buffer land, and costs related to permitting and cell construction are depleted as airspace is consumed using the units-of-consumption method.

Capitalized landfill costs may also include an allocation of purchase price paid for landfills. For landfills purchased as part of a group of several assets, the purchase price assigned to the landfill is determined based upon the discounted future expected cash flows of the landfill relative to the other assets within the group. If the landfill meets the Company's expansion criteria, the purchase price is further allocated between permitted airspace and expansion airspace based upon the ratio of permitted versus probable expansion airspace to total available airspace. Landfill purchase price is amortized using the units-of-consumption method over the total available airspace including probable expansion airspace where appropriate.

Final Capping, Closure and Post-Closure Costs

The Company accounts for final capping, closure and post-closure in accordance with SFAS 143.

The Company has future obligations for final capping, closure and post-closure costs with respect to the landfills it owns or operates as set forth in applicable landfill permits. Final capping, closure and post-closure costs include estimated costs to be incurred for final capping and closure of landfills and estimated costs for providing required post-closure monitoring and maintenance of landfills. The permit requirements are based on the Subtitle C and Subtitle D regulations of the Resource Conservation and Recovery Act (RCRA), as implemented and applied on a state-by-state basis. Obligations associated with monitoring and controlling methane gas migration and emissions are set forth in applicable landfill permits and these requirements are based upon the provisions of the Clean Air Act of 1970, as amended. Final capping typically includes installing flexible membrane and geosynthetic clay liners, drainage and compact soil layers, and topsoil, and is constructed over an area of the landfill where total airspace capacity has been consumed and waste disposal operations have ceased. These final capping activities occur throughout the operating life of a landfill. Other closure activities and post-closure activities occur after the entire landfill ceases to accept waste and closes. These activities involve methane gas control, leachate management and groundwater monitoring, surface water monitoring and control, and other operational and maintenance activities that occur after the site ceases to accept waste. The post-closure period generally runs for up to 30 years after final site closure for municipal solid waste landfills and a shorter period for construction and demolition landfills and inert landfills.

Estimates of future expenditures for final capping, closure and post-closure are developed annually by engineers. These estimates are reviewed by management at least annually and are used by the Company's operating and accounting personnel to adjust the rates used to capitalize and amortize these costs. These estimates involve projections of costs that will be incurred during the remaining life of the landfill for final capping activities, after the landfill ceases operations and during the legally required post-closure monitoring period. Additionally, the Company currently retains post-closure responsibility for several closed landfills.

Under SFAS 143, a liability for an asset retirement obligation must be recognized in the period in which it is incurred and should be initially measured at fair value. Absent quoted market prices, the estimate of fair value should be based on the best available information, including the results of present value techniques in accordance with Statement of Financial Accounting Concepts No. 7, "Using Cash Flow and Present Value in Accounting Measurements" ("SFAC 7"). The offset to the liability must be capitalized as part of the carrying amount of the related long-lived asset. Changes in the liability due to the passage of time are recognized as operating items in the income statement and are referred to as accretion expense. Changes in the liability due to revisions to estimated future cash flows are recognized by increasing or decreasing the liability with the offset adjusting the carrying amount of the related long-lived asset.

In applying the provisions of SFAS 143, the Company has concluded that a landfill's asset retirement obligation includes estimates of all costs related to final capping, closure and post-closure. Costs associated with a landfill's daily maintenance activities during the operating life of the landfill, such as leachate disposal, groundwater and gas monitoring, and other pollution control activities, are charged to expense as incurred. In addition, costs historically accounted for as capital expenditures during the operating life of a landfill, such as cell development costs, are capitalized when incurred, and charged to expense using life cycle accounting and the units-of-consumption method based on the consumption of cubic yards of available airspace.

The Company defines final capping as activities required to permanently cover a portion of a landfill that has been completely filled with waste. Final capping occurs in phases throughout the life of a landfill as specific areas are filled to capacity and the final elevation for that specific area is reached in accordance with the provisions of the operating permit. The Company considers final capping events to be discrete activities that are recognized as asset retirement obligations separately from other closure and post-closure obligations. These capping events occur generally during the operating life of a landfill and can be associated with waste actually placed under an area to be capped. As a result, the Company uses a separate rate per ton for recognizing the principal amount of the liability associated with each capping event. The Company amortizes the asset recorded pursuant to this approach as waste volume equivalent to the capacity covered by the capping event is placed into the landfill based upon the consumption of cubic yards of available airspace covered by the capping event.

The Company recognizes asset retirement obligations and the related amortization expense for closure and post-closure (excluding obligations for final capping) using the units-of-consumption method over the total remaining capacity of the landfill. The total remaining capacity includes probable expansion airspace.

In general, the Company engages third parties to perform most of its final capping, closure and post-closure activities. Accordingly, the fair market value of these obligations is based upon quoted and actual prices paid for similar work. The Company does intend to perform some of its final capping, closure and post-closure obligations using internal resources. Where internal resources are expected to be used to fulfill an asset retirement obligation, the Company has added a profit margin onto the estimated cost of such services to better reflect their fair market value as required by SFAS 143. These services primarily relate to managing construction activities during final capping and maintenance activities during closure and post-closure. If the Company does perform these services internally, the added profit margin would be recognized as a component of operating income in the period the obligation is settled.

SFAC 7 states that an estimate of fair value should include the price that marketplace participants are able to receive for bearing the uncertainties in cash flows. However, when utilizing discounted cash flow techniques, reliable estimates of market premiums may not be obtainable. In this situation, SFAC 7 indicates that it is not necessary to consider a market risk premium in the determination of expected cash flows. While the cost of asset retirement obligations associated with final capping, closure and post-closure can be quantified and estimated, there is not an active market that can be utilized to determine the fair value of these activities. In the case of the waste industry, no market exists for selling the responsibility for final capping, closure and post-closure independent of selling the landfill in its entirety. Accordingly, the Company believes that it is not possible to develop a methodology to reliably estimate a market risk premium and has excluded a market risk premium from its determination of expected cash flow for landfill asset retirement obligations in accordance with SFAC 7.

The Company's estimates of costs to discharge asset retirement obligations for landfills are developed in today's dollars. These costs are inflated each year to reflect a normal escalation of prices up to the year they are expected to be paid. The Company uses a 2.5% inflation rate, which is based on a ten-year historical moving average of the U.S. Consumer Price Index and is the rate used by most waste industry participants.

These estimated costs are then discounted to their present value using a credit-adjusted, risk-free rate. The Company's credit-adjusted, risk-free rate for liability recognition was determined to be 6.1% and 6.5% for the three months ended March 31, 2005 and 2004, respectively, based upon the estimated all-in yield the Company believes it would need to offer to sell thirty-year debt in the public market. Changes in asset retirement obligations due to the passage of time are measured by recognizing accretion expense in a manner that results in a constant effective interest rate applied to the average carrying amount of the liability. The effective interest rate used to calculate accretion expense is the Company's credit-adjusted, risk-free rate.

In accordance with SFAS 143, changes due to revision of the estimates of the amount or timing of the original undiscounted cash flows used to record a liability are recognized by increasing or decreasing the carrying amount of the asset retirement obligation liability and the carrying amount of the related asset. Upward revisions in the amount of undiscounted estimated cash flows used to record a liability must be discounted using the credit-adjusted, risk-free rate in effect at the time

of the change. Downward revisions in the amount of undiscounted estimated cash flows used to record a liability must be discounted using the credit-adjusted, risk-free rate that existed when the original liability was recognized.

The Company reviews its calculations with respect to landfill asset retirement obligations at least annually. If there is a significant change in the facts and circumstances related to a landfill during the year, the Company will review its calculations for the landfill as soon as practical after the significant change has occurred. During the three months ended March 31, 2005 and 2004, the Company completed its annual reviews and recorded net reductions of $5.0 million and $2.6 million, respectively, in amortization expense primarily related to changes in estimates and assumptions concerning the cost and timing of future final capping, closure and post-closure activities.

The following table summarizes the activity in the Company's asset retirement obligation liabilities for the three months ended March 31, 2005 and 2004:

	Three Months Ended March 31,	
	2005	2004
Asset retirement obligation liability, beginning of year	$ 216.8	$ 204.7
Additions incurred during the period	4.7	4.4
Revisions in estimates of future cash flows	(5.7)	(3.1)
Acquisitions during the period	3.3	—
Amounts settled during the period	(.2)	(2.6)
Accretion expense	3.5	3.3
Asset retirement obligation liability, end of period	222.4	206.7
Less: Current portion	(14.4)	(27.2)
Long-term portion	$ 208.0	$ 179.5

The fair value of assets that are legally restricted for purposes of settling final capping, closure and post-closure obligations was approximately $7.5 million at March 31, 2005, and are included as restricted cash in the Company's Unaudited Condensed Consolidated Balance Sheets.

Remediation

The Company accrues for remediation costs when they become probable and reasonably estimatable. Substantially all of the Company's recorded remediation costs are for incremental landfill post-closure care required under approved remediation action plans for acquired landfills. Remediation costs are estimated by engineers based upon site remediation plans. These estimates do not take into account discounts for the present value of total estimated costs. Management believes that the amounts accrued for remediation costs are adequate. However, a significant increase in the estimated costs for remediation could have a material adverse effect on the Company's financial position, results of operations or cash flows.

Environmental Costs

In the normal course of business, the Company is subject to ongoing environmental investigations by certain regulatory agencies, as well as other claims and disputes that could result in litigation. Environmental costs are accrued by the Company through a charge to income in the period such liabilities become probable and can be reasonably estimated. No significant amounts were charged to expense during the three months ended March 31, 2005 and 2004.

3. PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Expenditures for major additions and improvements are capitalized, while maintenance and repairs are charged to expense as incurred. When property is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the Unaudited Condensed Consolidated Statements of Income.

The Company revises the estimated useful lives of property and equipment acquired through business acquisitions to conform with its policies regarding property and equipment. Depreciation is provided over the estimated useful lives of the assets involved using the straight-line method. The estimated useful lives are seven to forty years for buildings and improvements, five to twelve years for vehicles, seven to ten years for most landfill equipment, three to fifteen years for all other equipment, and five to twelve years for furniture and fixtures.

Landfills and landfill improvements are stated at cost and include direct costs incurred to obtain landfill permits and direct costs incurred to acquire, construct and develop sites. These costs are amortized or depleted based on consumed airspace. All indirect landfill development costs are expensed as incurred. (For further information, see Note 2, Accrued Landfill and Environmental Costs.)

The Company capitalizes interest on landfill cell construction and other construction projects in accordance with Statement of Financial Accounting Standards No. 34, "Capitalization of Interest Cost." Construction projects must meet the following criteria before interest is capitalized:

1. Total construction costs are $50,000 or greater,
2. The construction phase is one month or longer, and
3. The assets have a useful life of one year or longer.

Interest is capitalized on qualified assets while they undergo activities to ready them for their intended use. Capitalization of interest ceases once an asset is placed into service or if construction activity is suspended for more than a brief period of time. The interest capitalization rate is based upon the Company's weighted average cost of indebtedness. Interest capitalized was $.2 million and $.4 million for the three months ended March 31, 2005 and 2004, respectively.

A summary of property and equipment is as follows:

	March 31, 2005	December 31, 2004
Other land	$ 96.5	$ 97.9
Non-depletable landfill land	51.2	53.4
Landfill development costs	1,542.9	1,486.5
Vehicles and equipment	1,635.3	1,617.5
Buildings and improvements	283.6	287.0
Construction-in-progress — landfill	33.9	39.1
Construction-in-progress — other	7.9	7.4
	3,651.3	3,588.8
Less: Accumulated depreciation, depletion and amortization—		
Landfill development costs	(749.4)	(742.9)
Vehicles and equipment	(789.2)	(766.3)
Building and improvements	(72.9)	(70.8)
	(1,611.5)	(1,580.0)
Property and equipment, net	$ 2,039.8	$ 2,008.8

The Company periodically evaluates whether events and circumstances have occurred that may warrant revision of the estimated useful life of property and equipment or whether the remaining balance of property and equipment should be evaluated for possible impairment. The following are examples of such events or changes in circumstances:

- A significant decrease in the market price of a long-lived asset or asset group,
- A significant adverse change in the extent or manner in which a long-lived asset or asset group is being used or in its physical condition,
- A significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset or asset group, including an adverse action or assessment by a regulator,
- An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset or asset group,
- A current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group, or

- A current expectation that, more likely than not, a long-lived asset or asset group will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

There are certain indicators listed above that require significant judgment and understanding of the waste industry when applied to landfill development or expansion. For example, a regulator may initially deny a landfill expansion permit application though the expansion permit is ultimately granted. In addition, management may periodically divert waste from one landfill to another to conserve remaining permitted landfill airspace. Therefore, certain events could occur in the ordinary course of business and not necessarily be considered indicators of impairment due to the unique nature of the waste industry.

The Company uses an estimate of the related undiscounted cash flows over the remaining life of the property and equipment in assessing their recoverability. The Company measures impairment loss as the amount by which the carrying amount of the asset exceeds the fair value of the asset.

4. BUSINESS COMBINATIONS

The Company acquires businesses as part of its growth strategy. Businesses acquired are accounted for under the purchase method of accounting and are included in the Consolidated Financial Statements from the date of acquisition. The Company allocates the cost of the acquired business to the assets acquired and the liabilities assumed based on estimates of fair values thereof. These estimates are revised during the allocation period as necessary if, and when, information regarding contingencies becomes available to further define and quantify assets acquired and liabilities assumed. To the extent contingencies such as preacquisition environmental matters, litigation and related legal fees are resolved or settled during the allocation period, such items are included in the revised allocation of the purchase price. After the allocation period, the effect of changes in such contingencies is included in results of operations in the periods in which the adjustments are determined. The Company does not believe potential differences between its fair value estimates and actual fair values are material.

The Company acquired various solid waste businesses during the three months ended March 31, 2005 and 2004. The aggregate purchase price paid by the Company in these transactions was $2.5 million and $1.2 million in cash, respectively. In addition, during the three months ended March 31, 2005, the Company entered into a $53.1 million capital lease related to a landfill. The businesses acquired during the three months ended March 31, 2005 did not materially impact the Company's results of operations for the three months ended March 31, 2005 or 2004 on a pro forma basis.

The following summarizes the preliminary purchase price allocations for business combinations accounted for under the purchase method of accounting:

	Three Months Ended March 31,	
	2005	2004
Property and equipment	$ 56.2	$ .3
Goodwill and other intangible assets	3.1	1.9
Working capital deficit	(.4)	(1.0)
Debt	(53.1)	—
Other liabilities	(3.3)	—
Cash used in acquisitions, respectively	$ 2.5	$ 1.2

Substantially all of the intangible assets recorded for these acquisitions are deductible for tax purposes.

During the three months ended March 31, 2005, the Company divested of its operations in western New York and received proceeds of approximately $28.6 million. The Company recorded a gain of $2.7 million on the divestiture.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets consists of the cost of acquired businesses in excess of the fair value of net assets acquired and other intangible assets. Other intangible assets include values assigned to customer relationships, long-term contracts and covenants not to compete and are amortized generally over periods ranging from 3 to 25 years.

The following table summarizes the activity in intangible assets and the related accumulated amortization accounts for the three months ended March 31, 2004 and 2005:

	Gross Intangible Assets		
	Goodwill	Other	Total
Balance, December 31, 2003	$ 1,701.6	$ 43.2	$ 1,744.8
Acquisitions	1.8	.1	1.9
Other additions	—	1.0	1.0
Balance, March 31, 2004	$ 1,703.4	$ 44.3	$ 1,747.7

	Accumulated Amortization		
	Goodwill	Other	Total
Balance, December 31, 2003	$ (143.4)	$ (18.2)	$ (161.6)
Amortization expense	—	(1.1)	(1.1)
Balance, March 31, 2004	$ (143.4)	$ (19.3)	$ (162.7)

	Gross Intangible Assets		
	Goodwill	Other	Total
Balance, December 31, 2004	$ 1,706.1	$ 54.2	$ 1,760.3
Acquisitions	2.2	.9	3.1
Divestitures	(15.8)	—	(15.8)
Other additions	—	.5	.5
Balance, March 31, 2005	$ 1,692.5	$ 55.6	$ 1,748.1

	Accumulated Amortization		
	Goodwill	Other	Total
Balance, December 31, 2004	$ (143.4)	$ (24.0)	$ (167.4)
Amortization expense	—	(1.4)	(1.4)
Divestitures	1.4	—	1.4
Balance, March 31, 2005	$ (142.0)	$ (25.4)	$ (167.4)

In general, goodwill is tested for impairment on an annual basis. In testing for impairment, the Company estimates the fair value of each operating segment and compares the fair values with the carrying values. If the fair value of an operating segment is greater than its carrying value, then no impairment results. If the fair value is less than carrying value, then the Company would determine the fair value of the goodwill. The fair value of goodwill is determined by deducting the fair value of an operating segment's identifiable assets and liabilities from the fair value of the operating segment as a whole, as if that operating segment had just been acquired and the purchase price were being initially allocated. If the fair value of the goodwill were less than its carrying value for a segment, an impairment charge would be recorded to earnings in the Company's Consolidated Statement of Income.

In addition, the Company would evaluate an operating segment for impairment if events or circumstances change between annual tests indicating a possible impairment. Examples of such events or circumstances include:

- A significant adverse change in legal factors or in the business climate,
- An adverse action or assessment by a regulator,
- A more likely than not expectation that a segment or a significant portion thereof will be sold, or
- The testing for recoverability under Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment of Long-Lived Assets," of a significant asset group within the segment.

The Company incurred no impairment of goodwill as a result of its annual goodwill impairment test in 2004. However, there can be no assurance that goodwill will not be impaired at any time in the future.

6. DEBT

Notes payable and long-term debt are as follows:

	March 31, 2005	December 31, 2004
$99.3 million and $375.0 million unsecured notes, net of unamortized discount of $.1 million and $.3 million as of March 31, 2005 and December 31, 2004, respectively; interest payable semi-annually in May and November at 7.125%; principal due at maturity in 2009	$ 99.2	$ 374.7
$450.0 million unsecured notes, net of unamortized discount of $1.9 million and including $5.6 million and $.5 million of adjustments to fair market value as of March 31, 2005 and December 31, 2004, respectively; interest payable semi-annually in February and August at 6.75%; principal due at maturity in 2011	442.5	448.6
$275.7 million unsecured notes, net of unamortized discount of $.2 million and including unamortized premium of $27.6 million as of March 31, 2005; interest payable semi-annually in March and September at 6.086%; principal due at maturity in 2035	247.9	—
$750.0 million unsecured revolving credit facility; interest payable using LIBOR-based rates; $300.0 million matures June 2005 and $450.0 million matures in 2007	—	—
Tax-exempt bonds and other tax-exempt financing; fixed and floating interest rates based on prevailing market rates; maturities ranging from 2005 to 2037	526.5	527.3
Other debt; unsecured and secured by real property, equipment and other assets	55.3	3.7
	1,371.4	1,354.3
Less: Current portion	(20.4)	(2.4)
Long-term portion	$ 1,351.0	$ 1,351.9

As of March 31, 2005, the Company had $374.2 million of availability under its revolving credit facility. The unsecured revolving credit facility requires the Company to maintain certain financial ratios and comply with certain financial covenants. At March 31, 2005, the Company was in compliance with the financial covenants under these agreements.

As of March 31, 2005, the Company had $224.1 million of restricted cash, of which $106.4 million were proceeds from the issuance of tax-exempt bonds and other tax-exempt financing that will be used to fund capital expenditures. Restricted cash also includes amounts held in trust as a guarantee of the Company's performance.

Interest paid was $25.4 million (net of $.2 million of capitalized interest) and $15.4 million (net of $.4 million of capitalized interest) for the three months ended March 31, 2005 and 2004, respectively.

During the three months ended March 31, 2005, the Company exchanged $275.7 million of its outstanding 7.125% notes due 2009 for new notes due 2035. The new notes bear interest at 6.086%. The Company paid a premium of $27.6 million in connection with the exchange. This premium will be amortized over the life of the new notes using the effective yield method.

Other debt includes a $53.1 million capital lease related to a landfill that the company entered into during the three months ended March 31, 2005.

The Company's ability to obtain financing through the capital markets is a key component of its financial strategy. Historically, the Company has managed risk associated with executing this strategy, particularly as it relates to fluctuations in interest rates, by using a combination of fixed and floating rate debt. The Company has also entered into interest rate swap agreements to manage risk associated with fluctuations in interest rates and to take advantage of favorable floating interest rates. The swap agreements have total notional values of $225.0 million and $210.0 million. Swap agreements with a notional value of $225.0 million matured in May 2004, and agreements with a notional value of $210.0 million mature in August 2011. These maturities are identical to the Company's public notes that were sold in 1999 and 2001, respectively. Under the swap agreements, the Company pays interest at floating rates based on changes in LIBOR and receives interest at fixed rates

of 6.625% and 6.75%, respectively. The Company has designated these agreements as hedges in changes in the fair value of the Company's fixed-rate debt and accounts for them in accordance with Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"). The Company has determined that these agreements qualify for the short-cut method under SFAS 133 and, therefore, changes in the fair value of the agreements are assumed to be perfectly effective in hedging changes in the fair value of the Company's fixed rate debt due to changes in interest rates.

As of March 31, 2005, interest rate swap agreements are reflected at fair market value of $5.6 million and are included in other liabilities and as adjustments to long-term debt in the accompanying Unaudited Condensed Consolidated Balance Sheets. During the three months ended March 31, 2005 and 2004, the Company recorded net interest income of $.6 million and $2.5 million, respectively, related to its interest rate swap agreements which is included in interest expense in the accompanying Unaudited Condensed Consolidated Statements of Income.

7. INCOME TAXES

Income taxes have been provided for the three months ended March 31, 2005 and 2004 based upon the Company's anticipated annual effective income tax rate of 38.0%. Income taxes paid (net of refunds received) were $2.4 million and $(28.6) million for the three months ended March 31, 2005 and 2004, respectively.

8. EMPLOYEE BENEFIT PLANS

In July 1998, the Company adopted the 1998 Stock Incentive Plan ("Stock Incentive Plan") to provide for grants of options to purchase shares of common stock, restricted stock and other equity-based compensation ("Equity-Based Compensation Units") to employees and non-employee directors of the Company who are eligible to participate in the Stock Incentive Plan. As of March 31, 2005, 4.3 million Equity-Based Compensation Units remain available under the Stock Incentive Plan for future grants.

The Company accounts for stock-based compensation in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), and related interpretations. Stock options are granted at prices equal to the fair market value of the Company's common stock on the date of grant; therefore, no compensation expense is recognized. Compensation expense resulting from grants of restricted stock or stock units is recognized during the vesting period.

Options granted under the Stock Incentive Plan are non-qualified and are granted at a price equal to the fair market value of the Company's common stock at the date of grant. Generally, options granted have a term of ten years from the date of grant, and vest in increments of 25% per year over a four year period beginning on the first anniversary of the grant date. Options granted to non-employee directors have a term of ten years and are fully vested at the grant date. During the three months ended March 31, 2005 and 2004, the Company awarded 24,000 and 20,000, respectively, deferred stock units to its non-employee directors under its Stock Incentive Plan. The Company also awarded 5,000 deferred stock units to a new non-employee director during the three months ended December 31, 2004. These stock units vest immediately but the directors receive the underlying shares only after their board service ends. The stock units do not carry any voting or dividend rights, except the right to receive additional stock units in lieu of dividends.

Also during the three months ended March 31, 2005 and 2004, the Company awarded 82,000 and 79,500, respectively, shares of restricted stock to its executive officers. 10,000 of the shares awarded during 2005 vest effective January 1, 2006 and 43,500 of the shares awarded during 2004 vested during the three months ended March 31, 2005. The remaining 72,000 and 36,000 shares awarded during 2005 and 2004, respectively, vest in four equal annual installments beginning one year from the date of grant except that vesting may be accelerated based upon the achievement of certain performance targets. During the vesting period, the participants have voting rights and receive dividends, but the shares may not be sold, assigned, transferred, pledged or otherwise encumbered. Additionally, granted but unvested shares are forfeited upon termination of employment.

The fair value of stock units and restricted shares on the date of grant is amortized ratably over the vesting period, or the accelerated vesting period if certain performance targets are achieved. During the three months ended March 31, 2005 and 2004, compensation expense related to stock units and restricted shares of $1.1 million and $.7 million, respectively, was recorded in the Company's Unaudited Condensed Consolidated Statements of Income. $3.1 million, representing the unamortized balance of unearned compensation on restricted stock, is included as a separate component of stockholders'

equity in the Company's Unaudited Condensed Consolidated Balance Sheets. No other stock units or restricted shares were granted during the three months ended March 31, 2005.

A summary of equity-based compensation activity for the three months ended March 31, 2005 is as follows:

	Equity-Based Compensation Units	Weighted-Average Exercise Price
Outstanding at beginning of year	11.1	$ 17.17
Granted	1.8	29.02
Exercised	(.4)	17.85
Cancelled	(.1)	21.60
Outstanding at March 31, 2005	12.4	$ 20.01
Exercisable at March 31, 2005	8.0	$ 17.48

Had compensation cost for stock option grants under the Company's Stock Incentive Plan been determined pursuant to Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), the Company's net income would have decreased accordingly. Using the Black-Scholes option pricing model, the Company's pro forma net income and earnings per share, with related assumptions, are as follows:

	Three Months Ended March 31,	
	2005	2004
Net income, as reported	$ 65.5	$ 56.9
Adjustments to net earnings for :		
Stock-based compensation expense included in net income, net of tax	.7	.4
Proforma stock-based employee compensation expense pursuant to SFAS 123, net of tax	(2.7)	(2.5)
Net income, pro forma	$ 63.5	$ 54.8
Basic earnings per share-		
As reported	$ .44	$ .36
Pro forma	$ .43	$ .35
Diluted earnings per share-		
As reported	$ .43	$ .36
Pro forma	$ .42	$ .35
Assumptions -		
Risk-free interest rates	3.6%	3.2%
Dividend yield	1.6%	.9%
Expected lives	5 years	5 years
Expected volatility	30%	40%

9. STOCKHOLDERS' EQUITY AND EARNINGS PER SHARE

During 2000 through 2004, the Board of Directors authorized the repurchase of up to $1,025.0 million of the Company's common stock. As of March 31, 2005, the Company had repurchased a total of 41.1 million shares of its stock for $939.5 million, of which 5.9 million shares were acquired during the three months ended March 31, 2005 for $189.1 million. In April 2005, the Board of Directors authorized the repurchase of an additional $500.0 million of the Company's common stock.

In July 2003, the Company announced that its Board of Directors initiated a quarterly cash dividend of $.06 per share. The dividend was increased to $.12 per share in the third quarter of 2004. In January 2005, the Company paid a dividend of $18.1 million to stockholders of record as of January 3, 2005. As of March 31, 2005, the Company recorded a dividend payable of $17.4 million to stockholders of record at the close of business on April 1, 2005. In April 2005, the Company's Board of Directors declared a regular quarterly dividend of $.12 per share payable to stockholders of record on July 1, 2005.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares (including deferred stock units) outstanding during the period. Diluted earnings per share is based on the combined weighted average number of common shares and common share equivalents outstanding which include, where appropriate, the assumed exercise of employee stock options and unvested restricted stock awards. In computing diluted earnings per share, the Company utilizes the treasury stock method.

Earnings per share for the three months ended March 31, 2005 and 2004 is calculated as follows (in thousands, except per share data):

	Three Months Ended March 31,	
	2005	2004
Numerator:		
Net income	$ 65,500	$ 56,900
Denominator:		
Denominator for basic earnings per share	148,168	156,040
Effect of dilutive securities —		
Options to purchase common stock	2,787	2,336
Unvested restricted stock awards	5	2
Denominator for diluted earnings per share	150,960	158,378
Basic earnings per share	$ .44	$ .36
Diluted earnings per share	$ .43	$ .36
Antidilutive securities not included in the diluted earnings per share calculation:		
Options to purchase common stock	8	22
Weighted average exercise price	$ 33.88	$ 31.20

10. OTHER COMPREHENSIVE INCOME

At March 31, 2005, the Company had $38.9 million of restricted marketable securities held as financial guarantees. These securities consist of mutual funds invested in short-term investment grade securities, including mortgage-backed securities and U.S. Government obligations. These securities are available for sale and, as a result, are stated at fair value based on quoted market prices. During the three months ended March 31, 2005, the Company recorded an unrealized gain, net of tax, of $.1 million to other comprehensive income related to the change in fair value of these securities.

During March 2005, the Company entered into option agreements related to forecasted diesel fuel purchases. Under SFAS 133, the options qualified for and were designated as effective hedges of changes in the prices of forecasted diesel fuel purchases. These option agreements settle each month in equal notional amounts through December 2005. In accordance with SFAS 133, $1.1 million representing the effective portion of the change in fair value for the three months ended March 31, 2005, net of tax, has been recorded in stockholders' equity as a component of accumulated other comprehensive income. The ineffective portion of the change in fair value was not material for the three months ended March 31, 2005, and has been included in other income (expense), net in the accompanying Unaudited Condensed Consolidated Statements of Income.

Realized gains of $.2 million related to these option agreements are included in cost of operations in the Company's Unaudited Condensed Consolidated Statements of Income for the three months ended March 31, 2005.

During the three months ended March 31, 2005, the Company offered to exchange a portion of its outstanding 7.125% notes due 2009 for new notes due 2035. To protect against fluctuations in the forecasted receipt of proceeds resulting from the issuance of thirty-year, fixed rate debt due to changes in the benchmark U.S. Treasury rate, the Company entered into treasury lock agreements. In accordance with SFAS 133, these agreements were determined to be highly effective in offsetting changes in cash proceeds to be received upon issuance of the notes. Upon termination of these agreements in March 2005, the Company recorded a gain of $2.4 million, net of tax, in stockholders' equity as a component of accumulated other comprehensive income. This gain will be amortized into interest expense over the life of the new notes using the effective yield method.

11. SEGMENT INFORMATION

The Company's operations are managed and evaluated through five regions: Eastern, Central, Southern, Southwestern and Western. These five regions are presented below as the Company's reportable segments. These reportable segments provide integrated waste management services consisting of collection, transfer and disposal of domestic non-hazardous solid waste.

Summarized financial information concerning the Company's reportable segments for the respective three months ended March 31, 2005 and 2004 is shown in the following table:

2005	Gross Revenue	Intercompany Revenue (b)	Net Revenue	Depreciation, Amortization, Depletion and Accretion	Operating Income	Capital Expenditures	Total Assets
Eastern Region	$ 152.9	$ (23.3)	$ 129.6	$ 10.5	$ 22.6	$ 3.9	$ 845.3
Central Region	167.2	(36.2)	131.0	18.0	21.8	7.3	1,071.1
Southern Region	193.3	(20.5)	172.8	17.9	31.0	9.7	870.0
Southwestern Region	85.2	(8.0)	77.2	3.4	15.6	4.8	461.4
Western Region	202.6	(38.7)	163.9	13.9	38.4	8.5	807.2
Corporate Entities (a)	2.7	—	2.7	.9	(9.9)	16.0	326.0
Total	$ 803.9	$ (126.7)	$ 677.2	$ 64.6	$ 119.5	$ 50.2	$ 4,381.0

2004	Gross Revenue	Intercompany Revenue (b)	Net Revenue	Depreciation, Amortization, Depletion and Accretion	Operating Income	Capital Expenditures	Total Assets
Eastern Region	$ 150.8	$ (23.3)	$ 127.5	$ 10.1	$ 19.0	$ 7.4	$ 824.6
Central Region	160.3	(34.0)	126.3	18.4	22.2	8.6	958.0
Southern Region	176.6	(18.9)	157.7	14.9	29.1	8.8	856.8
Southwestern Region	82.1	(8.1)	74.0	8.2	10.9	4.3	408.4
Western Region	188.4	(36.8)	151.6	8.6	42.5	2.0	784.1
Corporate Entities (a)	.2	—	.2	1.1	(13.7)	7.7	713.4
Total	$ 758.4	$ (121.1)	$ 637.3	$ 61.3	$ 110.0	$ 38.8	$ 4,545.3

(a) Corporate functions include legal, tax, treasury, information technology, risk management, human resources, national accounts and other typical administrative functions.

(b) Intercompany revenue reflects transactions within and between segments and are generally made on a basis intended to reflect the market value of such services.

Total revenue of the Company by revenue source for the three months ended March 31, 2005 and 2004 is as follows:

	Three Months Ended March 31,	
	2005	2004
Collection:		
Residential	$ 166.6	$ 157.1
Commercial	189.4	182.6
Industrial	136.9	129.5
Other	15.2	13.8
Total collection	508.1	483.0
Transfer and disposal	249.5	233.2
Less: Intercompany	(125.5)	(120.4)
Transfer and disposal, net	124.0	112.8
Other	45.1	41.5
Total revenue	$ 677.2	$ 637.3

12. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is a party to various general legal proceedings which have arisen in the ordinary course of business. While the results of these matters cannot be predicted with certainty, the Company believes that losses, if any, resulting from the ultimate resolution of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, unfavorable resolution could affect the consolidated financial position, results of operations or cash flows for the quarterly periods in which they are resolved.

Lease Commitments

The Company and its subsidiaries lease real property, equipment and software under various operating leases with terms from one month to twenty-five years.

Unconditional Purchase Commitments

The Company has various unconditional purchase commitments, consisting primarily of long-term disposal agreements, that require the Company to dispose of a minimum number of tons at certain third party facilities.

Liability Insurance

The Company carries general liability, vehicle liability, employment practices liability, pollution liability, directors and officers liability, workers compensation and employer's liability coverage, as well as umbrella liability policies to provide excess coverage over the underlying limits contained in these primary policies. The Company also carries property insurance.

The Company's insurance programs for worker's compensation, general liability, vehicle liability and employee-related health care benefits are effectively self-insured. Claims in excess of self-insurance levels are fully insured subject to policy limits. Accruals are based on claims filed and estimates of claims incurred but not reported.

The Company's liabilities for unpaid and incurred but not reported claims at March 31, 2005 were $148.0 million and are included in other current and other liabilities in the accompanying Unaudited Condensed Consolidated Balance Sheets. While the ultimate amount of claims incurred is dependent on future developments, in management's opinion, recorded reserves are adequate to cover the future payment of claims. However, it is reasonably possible that recorded reserves may not be adequate to cover future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in operations in the periods in which such adjustments are known.

Guarantees of Subsidiary Debt

The Company has guaranteed the tax-exempt bonds of its subsidiaries. If a subsidiary fails to meet its obligations associated with tax-exempt bonds as they come due, the Company will be required to perform under the related guarantee agreement. No additional liability has been recorded for these guarantees because the underlying obligations are reflected in the Company's Unaudited Condensed Consolidated Balance Sheets. (For further information, see Note 6, Debt).

Restricted Cash and Marketable Securities, and Other Financial Guarantees

In the normal course of business, the Company is required by regulatory agencies, governmental entities and contract parties to post performance bonds, letters of credit and/or cash deposits as financial guarantees of the Company's performance. At March 31, 2005, letters of credit totaling $494.2 million were outstanding, and surety bonds totaling $428.6 million were outstanding, which will expire on various dates through 2015.

At March 31, 2005, the Company had $224.1 million of restricted cash deposits and $38.9 million of restricted marketable securities held as financial guarantees, including $106.4 million of restricted cash held for capital expenditures under certain debt facilities, and $34.5 million and $38.9 million of restricted cash and restricted marketable securities, respectively, pledged to regulatory agencies and governmental entities as financial guarantees of the Company's performance related to its final capping, closure and post-closure obligations at its landfills. The Company's restricted marketable securities consist of mutual funds invested in short-term investment grade securities, including mortgage-backed securities and U.S. Government obligations. These securities are available for sale and, as a result, are stated at fair value based upon quoted market prices. Unrealized gains and losses, net of tax, are recorded as a component of accumulated other comprehensive income.

Other Matters

The Company's business activities are conducted in the context of a developing and changing statutory and regulatory framework. Governmental regulation of the waste management industry requires the Company to obtain and retain numerous governmental permits to conduct various aspects of its operations. These permits are subject to revocation, modification or denial. The costs and other capital expenditures which may be required to obtain or retain the applicable permits or comply with applicable regulations could be significant. Any revocation, modification or denial of permits could have a material adverse effect on the Company.

Through the date of the Company's initial public offering in July 1998, the Company filed consolidated federal income tax returns with AutoNation, Inc. ("AutoNation"), its former parent company. The Internal Revenue Service is auditing AutoNation's consolidated tax returns for fiscal years 1997 through 1998. In accordance with the Company's tax sharing agreement with AutoNation, the Company may be liable for certain assessments imposed by the Internal Revenue Service for the periods through June 1998, resulting from this audit. In addition, the Internal Revenue Service is auditing the Company's consolidated tax returns for fiscal years 1998 through 2003. Management believes that the tax liabilities recorded are adequate. However, a significant assessment in excess of liabilities recorded against the Company could have a material adverse effect on the Company's financial position, results of operations or cash flows.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Unaudited Condensed Consolidated Financial Statements and notes thereto included under Item 1. In addition, reference should be made to our audited Consolidated Financial Statements and notes thereto and related Management's Discussion and Analysis of Financial Condition and Results of Operations appearing in our Form 10-K for the year ended December 31, 2004.

Our Business

We are a leading provider of non-hazardous solid waste collection and disposal services in the United States. We provide solid waste collection services for commercial, industrial, municipal and residential customers through 138 collection companies in 21 states. We also own or operate 92 transfer stations and 59 solid waste landfills.

We generate revenue primarily from our solid waste collection operations. Our remaining revenue is obtained from landfill disposal services and other services, including recycling, remediation and composting operations.

The following table reflects our total revenue by source in millions of dollars and as a percentage of our revenue for the three months ended March 31, 2005 and 2004:

	Three Months Ended March 31,			
	2005		2004	
Collection:				
Residential	$ 166.6	24.6%	$ 157.1	24.6%
Commercial	189.4	28.0	182.6	28.7
Industrial	136.9	20.2	129.5	20.3
Other	15.2	2.2	13.8	2.2
Total collection	508.1	75.0	483.0	75.8
Transfer and disposal	249.5		233.2	
Less: Intercompany	(125.5)		(120.4)	
Transfer and disposal, net	124.0	18.3	112.8	17.7
Other	45.1	6.7	41.5	6.5
Total revenue	$ 677.2	100.0%	$ 637.3	100.0%

Our revenue from collection operations consists of fees we receive from commercial, industrial, municipal and residential customers. Our residential and commercial collection operations in some markets are based on long-term contracts with municipalities. We generally provide industrial and commercial collection services to individual customers under contracts with terms up to three years. Our revenue from landfill operations is from disposal or tipping fees charged to third parties. In general, we integrate our recycling operations with our collection operations and obtain revenue from the sale of recyclable materials. No one customer has individually accounted for more than 10% of our consolidated revenue or of our reportable segment revenue in any of the periods presented.

The cost of our collection operations is primarily variable and includes disposal, labor, self-insurance, fuel and equipment maintenance costs. We seek operating efficiencies by controlling the movement of waste from the point of collection through disposal. During the three months ended March 31, 2005 and 2004, approximately 55% and 54%, respectively, of the total volume of waste we collected was disposed of at landfills we own or operate.

Our landfill cost of operations includes daily operating expenses, costs of capital for cell development, costs for final capping, closure and post-closure, and the legal and administrative costs of ongoing environmental compliance. Daily operating expenses include leachate treatment and disposal, methane gas and groundwater monitoring and systems maintenance, interim cap maintenance, and costs associated with the application of daily cover materials. We expense all indirect landfill development costs as they are incurred. We use life cycle accounting and the units-of-consumption method to recognize certain direct landfill costs related to cell development. In life cycle accounting, certain direct costs are capitalized, and charged to expense based upon the consumption of cubic yards of available airspace. These costs include all costs to

acquire and construct a site including excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells, and other costs associated with the acquisition and development of the site. Obligations associated with final capping, closure and post-closure are capitalized, and amortized on a unit-of-consumption basis as airspace is consumed.

Cost and airspace estimates are developed annually by engineers. These estimates are used by our operating and accounting personnel to annually adjust our rates used to expense capitalized costs. Changes in these estimates primarily relate to changes in available airspace, inflation and applicable regulations. Changes in available airspace include changes due to the addition of airspace lying in expansion areas that we believe have a probable likelihood of being permitted.

Our operations are managed and reviewed through five regions that we designate as our reportable segments. From 2004 to 2005, operating income increased in our Eastern, Southern and Southwestern regions due to an overall increase in revenue resulting from the successful execution of our growth strategy. In the Central region, increased revenue was offset by weak economic conditions. In the Western region, revenue growth was offset by higher landfill depletion costs. The decrease in costs for Corporate Entities from 2004 to 2005 is primarily due to a decrease in insurance expense.

Business Combinations

We make decisions to acquire or invest in businesses based on financial and strategic considerations. Businesses acquired are accounted for under the purchase method of accounting and are included in our Unaudited Condensed Consolidated Financial Statements from the date of acquisition.

We acquired various solid waste businesses during the three months ended March 31, 2005 and 2004. The aggregate purchase price we paid in these transactions was $2.5 million and $1.2 million in cash, respectively. In addition, during the three months ended March 31, 2005, the Company entered into a $53.1 million capital lease related to a landfill.

We divested of our operations in western New York during the three months ended March 31, 2005 and received proceeds of approximately $28.6 million. A gain of $2.7 million was recorded on the divestiture.

See Note 4, Business Combinations, of the Notes to our Unaudited Condensed Consolidated Financial Statements, for further discussion of business combinations.

Consolidated Results of Operations

Our net income was $65.5 million, or $.43 per diluted share, for the three months ended March 31, 2005, as compared to $56.9 million, or $.36 per diluted share, for the three months ended March 31, 2004.

The following table summarizes our costs and expenses in millions of dollars and as a percentage of our revenue for the three months ended March 31, 2005 and 2004:

	Three Months Ended March 31,			
	2005		2004	
Revenue	$ 677.2	100.0%	$ 637.3	100.0%
Expenses:				
Cost of operations	418.7	61.8	403.5	63.3
Depreciation, amortization and depletion of property and equipment	59.4	8.8	56.7	8.9
Amortization of intangible and other assets	1.7	.3	1.3	.2
Accretion	3.5	.5	3.3	.5
Selling, general and administrative expenses	74.4	11.0	62.5	9.8
Operating income	$ 119.5	17.6%	$ 110.0	17.3%

Revenue. Revenue was $677.2 million and $637.3 million for the three months ended March 31, 2005 and 2004, respectively, an increase of 6.3%. The following table reflects the components of our revenue growth for the three months ended March 31, 2005 and 2004:

	Three Months Ended March 31,	
	2005	2004
Core price	2.3%	2.3%
Fuel surcharges	.5	.1
Recycling commodities	.2	.5
Total price	3.0	2.9
Core volume	2.4	3.5
Non-core volume	—	(.2)
Total volume	2.4	3.3
Total internal growth	5.4	6.2
Acquisitions and divestitures, net	.9	1.0
Total revenue growth	6.3%	7.2%

During the three months ended March 31, 2005, our revenue growth from core pricing continued to benefit from a broad-based pricing initiative which we started during the fourth quarter of 2003. We anticipate that we will continue to realize this benefit throughout 2005. During the three months ended March 31, 2005, we experienced core volume growth in all lines of our business including our residential collection, commercial, industrial and landfill businesses.

Cost of Operations. Cost of operations was $418.7 million for the three months ended March 31, 2005, versus $403.5 million for the comparable 2004 period. Cost of operations as a percentage of revenue was 61.8% for the three months ended March 31, 2005 versus 63.3% for the comparable 2004 period.

The following table summarizes the major components of our cost of operations for the three months ended March 31, 2005 and 2004 in millions of dollars and as a percentage of our revenue:

	Three Months Ended March 31,			
	2005		2004	
Subcontractor, disposal and third party fees	$ 157.3	23.2%	$ 151.4	23.8%
Labor and benefits	133.7	19.7	128.6	20.2
Maintenance and operating	91.7	13.6	81.5	12.7
Insurance and other	36.0	5.3	42.0	6.6
Total	$ 418.7	61.8%	$ 403.5	63.3%

A description of our cost categories is as follows:

- Subcontractor, disposal and third party fees include costs such as third-party disposal, transportation of waste, host fees and cost of goods sold.
- Labor and benefits include costs such as wages, salaries, payroll taxes and health benefits for our frontline service employees and their supervisors.
- Maintenance and operating includes costs such as fuel, parts, shop labor and benefits, third-party repairs, and landfill monitoring and operating.
- Insurance and other includes costs such as workers compensation, auto and general liability insurance, property taxes, property maintenance, and utilities.

The cost categories shown above may change from time to time and may not be comparable to similarly titled categories used by other companies. As such, care should be taken when comparing our cost of operations by cost component to those of other companies.

The increase in aggregate dollars is primarily a result of the expansion of our business through internal growth. The decrease in cost of operations as a percentage of revenue is primarily attributable to higher self-insurance expense in the three months ended March 31, 2005. Self-insurance expense was $38.2 million for the three months ended March 31, 2005 versus $44.2 million for the comparable 2004 period. The decrease in self-insurance expense during the current period relates primarily to our continued focus on safety and positive development in our actuarially developed self-insurance reserves. The decrease in cost of operations as a percentage of revenue during the three months ended March 31, 2005 versus the comparable 2004 period is also attributable to lower labor, disposal and subcontracting costs resulting from one less work day during the current period, improved pricing in all lines of our business, and continued focus on productivity improvements. These decreases in costs were partially offset by an increase in fuel prices.

Depreciation, Amortization and Depletion of Property and Equipment. Expenses for depreciation, amortization and depletion of property and equipment were $59.4 million for the three months ended March 31, 2005, versus $56.7 million for the comparable 2004 period. Expenses for depreciation, amortization and depletion of property and equipment as a percentage of revenue were 8.8% for the three months ended March 31, 2005, versus 8.9% for the comparable 2004 period. The increase in such expenses in aggregate dollars is primarily due to the expansion of our business. The decrease in such expenses as a percentage of revenue for the three month periods presented is due to a reduction in landfill amortization expense we recorded during the first quarter of 2005 related to the annual review of our calculations with respect to landfill asset retirement obligations.

Amortization of Intangible Assets. Expenses for amortization of intangible assets were $1.7 million for the three months ended March 31, 2005, versus $1.3 million for the comparable 2004 period. Amortization of intangible assets as a percentage of revenue was .3% for the three months ended March 31, 2005, versus .2% for the comparable 2004 period. The increase in such expenses in aggregate dollars and as a percentage of revenue is primarily due to the amortization of intangible assets associated with businesses acquired in 2004.

Accretion Expense. Accretion expense was $3.5 million for the three months ended March 31, 2005, versus $3.3 million for the comparable 2004 period. Accretion expense as a percentage of revenue was .5% for the three months ended March 31, 2005 and 2004. The increase in such expenses in aggregate dollars is primarily due to the expansion of our landfill operations.

Selling, General and Administrative Expenses. Selling, general and administrative expenses were $74.4 million for the three months ended March 31, 2005, versus $62.5 million for the comparable 2004 period. Selling, general and administrative expenses as a percentage of revenue were 11.0% for the three months ended March 31, 2005, versus 9.8% for the comparable 2004 period. The increase in such expenses in aggregate dollars and as a percentage of revenue is primarily due to approximately $3.0 million of costs incurred during the first quarter of 2005 associated with the exchange of unsecured notes, increased incentive compensation costs and higher professional fees. Management believes selling, general and administrative costs as a percentage of revenue for the year ended December 31, 2005 will be approximately ten percent.

Interest Expense. Interest expense relates primarily to borrowings under our unsecured notes and tax-exempt bonds. Interest expense was $19.9 million for the three months ended March 31, 2005 versus $20.7 million for the comparable 2004 period. In May 2004, $225.0 million of public notes matured and were repaid resulting in a reduction in interest expense.

Capitalized interest was $.2 million for the three months ended March 31, 2005, versus $.4 million for the comparable 2004 period.

Interest and Other Income (Expense), Net. Interest and other income, net of other expense, was $6.0 million for the three months ended March 31, 2005 versus $2.5 million for the comparable 2004 period. The increase in aggregate dollars versus the comparable period last year is primarily due to a gain recorded on the divestiture of operations in western New York.

Income Taxes. The provision for income taxes was $40.1 million for the three months ended March 31, 2005, versus $34.9 million for the comparable 2004 period. Our effective income tax rate was 38.0% for the three months ended March 31, 2005 and 2004. Income taxes have been provided based upon our anticipated annual effective tax rate.

Landfill and Environmental Matters

Available Airspace

The following table reflects landfill airspace activity for landfills owned or operated by us for the three months ended March 31, 2005:

	Balance as of December 31, 2004	Landfills Acquired, net of Divested or Closed	New Expansions Undertaken	Airspace Consumed	Changes in Engineering Estimates	Changes in Design	Balance as of March 31, 2005
Permitted airspace:							
Cubic yards (in millions)	1,529.6	17.9	—	(10.1)	7.4	1.6	1,546.4
Number of sites	58	1	—				59
Expansion airspace:							
Cubic yards (in millions)	222.2	—	8.3	—	(.3)	.2	230.4
Number of sites	12	—	1				13
Total available airspace:							
Cubic yards (in millions)	1,751.8	17.9	8.3	(10.1)	7.1	1.8	1,776.8
Number of active sites	58	1					59

Changes in engineering estimates typically include minor modifications to available disposal capacity of a landfill based on a refinement of the capacity calculations resulting from updated information. Changes in design typically include significant modifications to a landfill's footprint or vertical slopes.

During 2005, total available airspace increased by 25.0 million cubic yards primarily due to the acquisition of a landfill.

As of March 31, 2005, we owned or operated 59 solid waste landfills with total available disposal capacity estimated to be 1.8 billion in-place cubic yards. Total available disposal capacity represents the sum of estimated permitted airspace plus an estimate of probable expansion airspace. These estimates are developed annually by engineers utilizing information provided by annual aerial surveys. As of March 31, 2005, total available disposal capacity is estimated to be 1.6 billion in-place cubic yards of permitted airspace plus .2 billion in-place cubic yards of probable expansion airspace. Before airspace included in an expansion area is determined to be probable expansion airspace and, therefore, included in our calculation of total available disposal capacity, it must meet our expansion criteria. See Note 2, Accrued Landfill and Environmental Costs, of the Notes to our Unaudited Condensed Consolidated Financial Statements for further information.

As of March 31, 2005, thirteen of our landfills meet the criteria for including expansion airspace in their total available disposal capacity. At projected annual volumes, these thirteen landfills have an estimated remaining average site life of 30 years, including the expansion airspace. The average estimated remaining life of all of our landfills is 30 years.

Final Capping, Closure and Post-Closure Costs

As of March 31, 2005, accrued final capping, closure and post-closure costs were $222.4 million. The current portion of these costs of $14.4 million is reflected in our Unaudited Condensed Consolidated Balance Sheets in other current liabilities. The long-term portion of these costs of $208.0 million is reflected in our Unaudited Condensed Consolidated Balance Sheets in accrued landfill and environmental costs.

Investment in Landfills

The following table reflects changes in our investments in landfills for the three months ended March 31, 2005 and the future expected investment as of March 31, 2005 (in millions):

	Balance as of December 31, 2004	Capital Additions	Transfers and Adjustments	Landfills Acquired, Net of Divestitures
Non-depletable landfill land	$ 53.4	$ —	$ (2.2)	$ —
Landfill development costs	1,486.5	.1	13.4	59.1
Construction in progress — landfill	39.1	4.9	(10.1)	—
Accumulated depletion and amortization	(742.9)	—	—	(2.8)
Net investment in landfill land and development costs	$ 836.1	$ 5.0	$ 1.1	$ 56.3

	Non-Cash Additions for Asset Retirement Obligations	Revisions in Estimates of Future Cash Flows	Additions Charged to Expense	Balance as of March 31, 2005	Expected Future Investment	Total Expected Investment
Non-depletable landfill land	$ —	$ —	$ —	$ 51.2	$ —	$ 51.2
Landfill development costs	4.7	(20.9)	—	1,542.9	1,597.5	3,140.4
Construction in progress — landfill	—	—	—	33.9	—	33.9
Accumulated depletion and amortization	—	15.2	(18.9)	(749.4)	—	(749.4)
Net investment in landfill land and development costs	$ 4.7	$ (5.7)	$ (18.9)	$ 878.6	$ 1,597.5	$ 2,476.1

The following table reflects our net investment in our landfills, excluding non-depletable land and our depletion, amortization and accretion expense for the three months ended March 31, 2005 and 2004:

	Three Months Ended March 31,	
	2005	2004
Number of landfills owned or operated	59	57
Net investment, excluding non-depletable land (in millions)	$ 827.4	$ 743.4
Total estimated available disposal capacity (in millions of cubic yards)	1,776.8	1,759.9
Net investment per cubic yard	$ .47	$ .42
Landfill depletion and amortization expense (in millions)	$ 18.9	$ 19.6
Accretion expense (in millions)	3.5	3.3
	22.4	22.9
Airspace consumed (in millions of cubic yards)	10.1	9.3
Depletion, amortization and accretion expense per cubic yard of airspace consumed	$ 2.22	$ 2.46

During the three months ended March 31, 2005 and 2004, our weighted average compaction rate was approximately 1,500 pounds per cubic yard.

As of March 31, 2005, we expect to spend an estimated additional $1.6 billion on existing landfills, primarily related to cell construction, over their expected remaining lives. Our total expected gross investment, excluding non-depletable land, estimated to be $2.4 billion, or $1.36 per cubic yard, is used in determining our depletion and amortization expense based upon airspace consumed using the units-of-consumption method.

We accrue costs related to environmental remediation activities through a charge to income in the period such liabilities become probable and can be reasonably estimated. We also accrue costs related to environmental remediation activities associated with properties acquired through business combinations as a charge to costs in excess of fair value of net assets acquired or landfill purchase price allocated to airspace, as appropriate. No material amounts were charged to expense during the three months ended March 31, 2005 and 2004.

Financial Condition

At March 31, 2005, we had $224.1 million of restricted cash deposits and $38.9 million of restricted marketable securities held as financial guarantees, including $106.4 million of restricted cash held for capital expenditures under certain debt facilities, and $34.5 million and $38.9 million of restricted cash and restricted marketable securities, respectively, pledged to various regulatory agencies and governmental entities as financial guarantees of our performance related to final capping, closure and post-closure obligations at our landfills. Restricted marketable securities consist of mutual funds invested in short-term investment grade securities, including mortgage-backed securities and U.S. Government obligations. These securities are available for sale and, as a result, are stated at fair value based upon quoted market prices. Unrealized gains and losses, net of tax, are recorded as a component of accumulated other comprehensive income.

We have a $750.0 million unsecured revolving credit facility with a group of banks, $300.0 million of which expires in June 2005 and $450.0 million of which expires July 2007. Borrowings under the credit facility bear interest at LIBOR-based rates. We use our operating cash flow and proceeds from our credit facilities to finance our working capital, capital expenditures, acquisitions, share repurchases, dividends and other requirements. As of March 31, 2005, we had $374.2 million available under the credit facility.

In May 1999, we sold $600.0 million of unsecured notes in the public market. $225.0 million of these notes bore interest at 6.625% per annum and matured in May 2004. The remaining $375.0 million bear interest at 7.125% per annum and mature in 2009. Interest on these notes is payable semi-annually in May and November. The $225.0 million and $375.0 million in notes were offered at a discount of $1.0 million and $.5 million, respectively. Proceeds from the notes were used to repay our revolving credit facility.

In August 2001, we sold $450.0 million of unsecured notes in the public market. The notes bear interest at 6.75% and mature in 2011. Interest on these notes is payable semi-annually in February and August. The notes were offered at a discount of $2.6 million. Proceeds from the notes were used to repay our revolving credit facility.

In March 2005, we exchanged $275.7 million of our outstanding 7.125% notes due 2009 for new notes due 2035. The new notes bear interest at 6.086%. We paid a premium of $27.6 million related to the exchange. This premium will be amortized over the life of the new notes using the effective yield method.

Also in March 2005, we entered into a $53.1 million capital lease related to a landfill.

In order to manage risk associated with fluctuations in interest rates and to take advantage of favorable floating interest rates, we have entered into interest rate swap agreements with investment grade rated financial institutions. The swap agreements have total notional values of $225.0 million and $210.0 million, respectively, and require our company to pay interest at floating rates based upon changes in LIBOR and receive interest at fixed rates of 6.625% and 6.75%, respectively. Swap agreements with a notional value of $225.0 million matured in May 2004, and agreements with a notional value of $210.0 million mature in August 2011.

At March 31, 2005, we had $526.5 million of tax-exempt bonds and other tax-exempt financings outstanding. Borrowings under these bonds and other financings bear interest based on fixed or floating interest rates at the prevailing market and have maturities ranging from 2005 to 2037. As of March 31, 2005, we had $106.4 million of restricted cash related to proceeds from tax-exempt bonds and other tax-exempt financings. This restricted cash will be used to fund capital expenditures under the terms of the agreements.

We believe that our excess cash, our cash from operating activities and proceeds from our revolving credit facility provide us with sufficient financial resources to meet our anticipated capital requirements and obligations as they come due. We believe that we will be able to refinance the short-term portion of our credit facility and would be able to raise additional debt or equity financing, if necessary, to fund special corporate needs or to complete acquisitions. However, we cannot assure you that we will be able to obtain additional financing under favorable terms or extend our short-term credit facility on the same terms.

Selected Balance Sheet Accounts

The following table reflects the activity in our allowance for doubtful accounts, final capping, closure, post-closure and remediation liabilities and accrued self-insurance during the three months ended March 31, 2005 (in millions):

	Allowance for Doubtful Accounts	Final Capping, Closure and Post-Closure	Remediation	Self-Insurance
Balance, December 31, 2004	$ 18.0	$ 216.8	$ 54.0	$ 143.8
Non-cash asset additions	—	4.7	—	—
Accretion	—	3.5	—	—
Other additions charged to expense	.9	—	—	38.2
Revisions in estimates of future cash flows	—	(5.7)	—	—
Acquisitions	—	3.3	—	—
Payments or usage	(1.7)	(.2)	(.6)	(34.0)
Balance, March 31, 2005	17.2	222.4	53.4	148.0
Less: Current portion	17.2	14.4	2.4	51.6
Long-term portion	$ —	$ 208.0	$ 51.0	$ 96.4

Our expense related to doubtful accounts as a percentage of revenue for the three months ended March 31, 2005 was .1%. As of March 31, 2005, accounts receivable were $246.1 million, net of allowance for doubtful accounts of $17.2 million, resulting in days sales outstanding of 33, or 22 days net of deferred revenue. In addition, at March 31, 2005, our accounts receivable in excess of 90 days old totaled $19.5 million, or 7.4% of gross receivables outstanding.

Property and Equipment

The following tables reflect the activity in our property and equipment accounts for the three months ended March 31, 2005 (in millions):

	Gross Property and Equipment							
	Balance as of December 31, 2004	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions to Asset Retirement Obligations	Revisions in Estimates of Future Cash Flows	Transfers and Adjustments	Balance as of March 31, 2005
Other land	$ 97.9	$ —	$ —	$ (1.4)	$ —	$ —	$ —	$ 96.5
Non-depletable landfill land	53.4	—	—	—	—		(2.2)	51.2
Landfill development costs	1,486.5	.1	—	59.1	4.7	(20.9)	13.4	1,542.9
Vehicles and equipment	1,617.5	42.9	(8.0)	(17.2)	—		.1	1,635.3
Buildings and improvements	287.0	.4	—	(4.0)	—		.2	283.6
Construction in progress — landfill	39.1	4.9	—	—	—		(10.1)	33.9
Construction in progress — other	7.4	1.9	—	—	—	—	(1.4)	7.9
Total	$ 3,588.8	$ 50.2	$ (8.0)	$ 36.5	$ 4.7	$ (20.9)	$ —	$ 3,651.3

	Accumulated Depreciation, Amortization and Depletion					
	Balance as of December 31, 2004	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Revisions in Estimates of Future Cash Flows	Balance as of March 31, 2005
Landfill development costs	$ (742.9)	$ (18.9)	$ —	$ (2.8)	$ 15.2	$ (749.4)
Vehicles and equipment	(766.3)	(37.8)	7.5	7.4	—	(789.2)
Buildings and improvements	(70.8)	(2.7)	.1	.5	—	(72.9)
Total	$ (1,580.0)	$ (59.4)	$ 7.6	$ 5.1	$ 15.2	$ (1,611.5)

Liquidity and Capital Resources

The major components of changes in cash flows for the three months ended March 31, 2005 and 2004 are discussed below.

Cash Flows From Operating Activities. Cash provided by operating activities was $167.6 million and $190.3 million for the three months ended March 31, 2005 and 2004, respectively. The changes in cash provided by operating activities during the periods are primarily due to expansion of our business, the timing of payments received for accounts receivable, and the timing of payments for accounts payable and income taxes. In December 2003, we received written approval from the Internal Revenue Service to exclude probable airspace from our calculation of landfill amortization, depletion, and final capping, closure and post-closure costs for tax purposes. As a result of this change, we recorded a tax receivable of approximately $48.0 million of which approximately $33.0 million was collected or used to offset taxes payable during the three months ended March 31, 2004. Also during the three months ended March 31, 2004, we collected a $23.0 million note receivable associated with a divested business.

We use cash flows from operations to fund capital expenditures, acquisitions, share repurchases, dividend payments and debt repayments.

Cash Flows Used In Investing Activities. Cash used in investing activities was $11.3 million and $44.4 million for the three months ended March 31, 2005 and 2004, respectively, and consists primarily of cash used for capital additions in 2005 and 2004 and cash provided by the disposition of our operations in western New York in 2005. Capital additions were $50.2 million and $38.8 million for the three months ended March 31, 2005 and 2004, respectively.

We intend to finance capital expenditures and acquisitions through cash, restricted cash held for capital expenditures, cash flow from operations, our revolving credit facility, tax-exempt bonds and other financings. We expect to use primarily cash for future business acquisitions.

Cash Flows Used In Financing Activities. Cash used in financing activities for the three months ended March 31, 2005 and 2004 was $226.0 million and $90.9 million, respectively, and consists primarily of purchases of common stock for treasury, payments of notes payable and long-term debt, and payments of cash dividends.

From 2000 through 2004, our board of directors authorized the repurchase of up to $1,025.0 million of our common stock. As of March 31, 2005, we repurchased a total of 41.1 million shares of our stock for $939.5 million, of which 5.9 million shares were acquired during the three months ended March 31, 2005 for $189.1 million. During April 2005, our board of directors authorized the repurchase of an additional $500.0 million of our common stock.

In July 2003, our board of directors initiated a quarterly dividend of $.06 per share. The dividend was increased to $.12 per share in the third quarter of 2004. In January 2005, we paid a dividend of $18.1 million to stockholders of record as of January 3, 2005. As of March 31, 2005, we recorded a dividend payable of approximately $17.4 million to stockholders of record at the close of business on April 1, 2005. In April 2005, our board of directors declared a regular quarterly dividend of $.12 per share payable to stockholders of record on July 1, 2005.

We intend to finance future stock repurchases and dividend payments through cash on hand, cash flow from operations, our revolving credit facility and other financings.

Credit Ratings

Our company has received investment grade ratings. As of March 31, 2005, our senior debt was rated BBB+/positive by Standard & Poor’s, BBB+/positive by Fitch and Baa2/stable by Moody’s.

Free Cash Flow

We define free cash flow, which is not a measure determined in accordance with Generally Accepted Accounting Principles (GAAP) in the United States, as cash provided by operating activities less purchases of property and equipment plus proceeds from the sale of property and equipment as presented in our consolidated statement of cash flows. Our free cash flow for the three months ended March 31, 2005 is calculated as follows (in millions):

	Three Months Ended March 31, 2005
Cash provided by operating activities	$ 167.6
Purchases of property and equipment	(50.2)
Proceeds from the sale of property and equipment	.5
Free cash flow	$ 117.9

We believe that the presentation of free cash flow provides useful information regarding our recurring cash provided by operating activities after expenditures for property and equipment, net of proceeds from the sale of property and equipment. It also demonstrates our ability to execute our financial strategy which includes reinvesting in existing capital assets to ensure a high level of customer service, investing in capital assets to facilitate growth in our customer base and services provided, pursuing strategic acquisitions that augment our existing business platform, repurchasing shares of common stock at prices that provide value to our shareholders, paying cash dividends, maintaining our investment grade rating and minimizing debt. In addition, free cash flow is a key metric used to determine compensation. Free cash flow does not represent our cash flow available for discretionary expenditures because it excludes certain expenditures that are required or that we have committed to such as debt service requirements and dividend payments. Our definition of free cash flow may not be comparable to similarly titled measures presented by other companies.

Seasonality

Our operations can be adversely affected by periods of inclement weather which could increase the volume of waste collected under existing contracts (without corresponding compensation), delay the collection and disposal of waste, reduce the volume of waste delivered to our disposal sites, or delay the construction or expansion of our landfill sites and other facilities.

New Accounting Pronouncements

On December 16, 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123 (revised 2004), “Share-Based Payment,” which is a revision of SFAS 123, “Accounting for Stock-Based Compensation.” SFAS 123(R) supersedes APB Opinion No. 25, “Accounting for Stock Issued to Employees,” and amends SFAS 95, “Statement of Cash Flows.” Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure is no longer an alternative.

SFAS 123(R) must be adopted by public companies no later than January 1, 2006. Early adoption will be permitted in periods in which financial statements have not been issued. We expect to adopt SFAS 123(R) on January 1, 2006.

SFAS 123(R) permits public companies to adopt its requirements using one of two methods:

1. A “modified-prospective” method in which compensation cost is recognized beginning with the effective date (a) based on the requirements of SFAS 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of SFAS 123 for all awards granted to employees prior to the effective date of SFAS 123(R) that remain unvested on the effective date.

2. A “modified-retrospective” method which includes the requirements of the modified-prospective method described above, but also permits entities to restate based on the amounts previously reflected in their SFAS 123 pro forma disclosures either (a) all prior periods presented or (b) prior interim periods of the year of adoption.

We plan to adopt SFAS 123(R) using the modified-prospective method.

As permitted by SFAS 123, we currently account for share-based payments to employees using APB 25’s intrinsic value method and, as such, generally recognizes no compensation cost for employee stock options. Accordingly, the adoption of SFAS 123(R)’s fair value method may have a significant impact on our result of operations, although it will have no impact on our overall financial position. The impact of adoption of SFAS 123(R) cannot be predicted at this time because it will depend on levels of share-based payments granted in the future. SFAS 123(R) requires the benefits of tax deductions in excess of recognized compensation cost to be reported as a financing cash flow, rather than as an operating cash flow as required under current literature. This requirement will reduce net operating cash flows and increase net financing cash flows in periods after adoption. While we

cannot estimate what those amounts will be in the future (because they depend on, among other things, when employees exercise stock options), the amount of operating cash flows recognized in prior periods for such excess tax deductions were $10.6 million, $6.7 million and $4.0 million during the years ended 2004, 2003 and 2002, respectively.

There are no other new accounting pronouncements that are significant to our company.

Disclosure Regarding Forward Looking Statements

Certain statements and information included herein constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied in or by such forward-looking statements. Such factors include, among other things, whether our estimates and assumptions concerning our selected balance sheet accounts, final capping, closure, post-closure and remediation costs, available airspace, and projected costs and expenses related to our landfills and property and equipment, and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate, and various factors that will impact our actual business and financial performance such as competition and demand for services in the solid waste industry; our ability to manage growth; compliance with, and future changes in, environmental regulations; our ability to obtain approvals in connection with expansions at our landfills; our ability to obtain financing on acceptable terms to finance our operations and growth strategy and for our company to operate within the limitations imposed by financing arrangements; our ability to repurchase common stock at prices that are accretive to earnings per share; our dependence on key personnel; general economic and market conditions including, but not limited to, inflation and changes in commodity pricing, fuel, labor, risk and health insurance, and other variable costs that are generally not within our control; dependence on large, long-term collection, transfer and disposal contracts; dependence on acquisitions for growth; risks associated with undisclosed liabilities of acquired businesses; risks associated with pending legal proceedings; and other factors contained in the our filings with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our market sensitive financial instruments consist primarily of variable rate debt and interest rate swaps. Therefore, our major market risk exposure is changing interest rates in the United States and fluctuations in LIBOR. We manage interest rate risk through a combination of fixed and floating rate debt as well as interest rate swap agreements.

ITEM 4. CONTROLS AND PROCEDURES

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report in accumulating and communicating to our management, including our Chief Executive Officer and Chief Financial Officer, material information required to be included in the reports we file or submit under the Securities Exchange Act of 1934 as appropriate to allow timely decisions regarding required disclosure.

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, there has been no change in our internal control over financial reporting during our last fiscal quarter, identified in connection with that evaluation, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Period	(a) Total Number of Shares (or Units) Purchased*	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (in millions)
Month #1 (January 1, — January 31, 2005)	90,132	$ 32.96	61,200	$ 272.6
Month #2 (February 1, — February 28, 2005)	2,171,700	30.95	2,171,700	205.4
Month #3 (March 1, — March 31, 2005)	3,682,808	32.57	3,679,500	85.5
Total	5,944,640	$ 31.99	5,912,400	$ 85.5

* Includes 32,240 shares purchased in the open market in connection with our 401(k) and deferred compensation programs.

The share purchases reflected in the table above, except those purchased in connection with employee benefit plans, were made pursuant to our $275.0 million repurchase programs approved by our board of directors in October 2004. This share repurchase program does not have an expiration date. No share repurchase program approved by our board of directors has ever expired nor do we expect to terminate any program prior to completion. We intend to make additional share purchases under our existing repurchase program. In April 2005, our board of directors authorized the repurchase of an additional $500.0 million of our common stock.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
4.1	Second Supplemental Indenture, dated as of March 21, 2005, by Republic Services, Inc. to The Bank of New York, as trustee
4.2	6.086% Note due March 15, 2035 in the principal amount of $270,348,000
4.3	6.086% Note due March 15, 2035 in the principal amount of $2,576,000
4.4	6.086% Note due March 15, 2035 in the principal amount of $2,750,000
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32.1	Section 1350 Certification of Chief Executive Officer
32.2	Section 1350 Certification of Chief Financial Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant, Republic Services, Inc., has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REPUBLIC SERVICES, INC.

By: /s/ TOD C. HOLMES
Tod C. Holmes
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

By: /s/ CHARLES F. SERIANNI
Charles F. Serianni
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Date: May 6, 2005

Exhibit 4.1

REPUBLIC SERVICES, INC.

to

THE BANK OF NEW YORK

SECOND SUPPLEMENTAL INDENTURE,

Dated as of March 21, 2005

Up to $275,674,000

6.086% Notes due 2035

Supplemental to Indenture dated as of August 15, 2001

SECOND SUPPLEMENTAL INDENTURE, dated as of March 21, 2005 (the “Second Supplemental Indenture”), between REPUBLIC SERVICES, INC., a Delaware corporation (hereinafter called the “Company”), and THE BANK OF NEW YORK, as trustee under the Base Indenture referred to below (hereinafter called the “Trustee”).

WHEREAS, the Company entered into an Indenture dated as of August 15, 2001, (the “Base Indenture,” all capitalized terms used in this Second Supplemental Indenture and not otherwise defined being used as defined in the Base Indenture) (the Base Indenture and the Second Supplemental Indenture are hereinafter collectively called the “Indenture”) with the Trustee, for the purposes of issuing its senior notes, unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as authorized by or pursuant to the authority granted in one or more resolutions of the Board of Directors of the Company; and

WHEREAS, the Company proposes to issue up to $275,674,000 aggregate principal amount of its 6.086% Notes due 2035 (such senior notes being referred to herein as the “Senior Notes” and all references to Securities in the Base Indenture shall be deemed to refer also to the Senior Notes and to any Additional Senior Notes (as defined below) unless the context otherwise provides); and

WHEREAS, Section 901 of the Base Indenture provides that without the consent of the Holders of the Securities of any series issued under the Base Indenture, the Company, when authorized by a Board Resolution, and the Trustee may enter into one or more indentures supplemental to the Base Indenture to, among other things, establish the form or terms of securities of any series as permitted by Sections 201 and 301 thereof; and

WHEREAS, the entry into this Second Supplemental Indenture by the parties hereto is in all respects authorized by the provisions of the Base Indenture;

WHEREAS, all things necessary have been done to make this Second Supplemental Indenture, when executed and delivered by the Company, the legal, valid and binding agreement of the Company, in accordance with its terms.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

The parties hereto mutually covenant and agree as follows:

SECTION 1. The Base Indenture is hereby amended solely with respect to the Senior Notes, except as otherwise expressly provided herein, as follows:

(A) By amending Section 101 to add the following definitions:

"Clearstream" means Clearstream Banking, societe anonyme (or any successor securities clearing agency).

"Euroclear" means Euroclear Bank S.A./N.V., as operator of the Euroclear Clearance System (or any successor securities clearing agency).

"Exchange Offer" has the meaning set forth in the Registration Rights Agreement.

"Exchange Offer Registration Statement" has the meaning set forth in the Registration Rights Agreement.

"Exchange Securities" has the meaning set forth in the Registration Rights Agreement.

"Global Securities" means the Rule 144A Global Securities, the Regulation S Global Securities, the IAI Global Securities and the Unrestricted Global Securities to be issued as Book-Entry Securities issued to the Depositary in accordance with Section 306.

"IAI Global Securities" means one or more permanent Global Securities in registered form representing the aggregate principal amount of Securities sold to Institutional Accredited Investors.

"Initial Securities" shall mean the Company's issuance of 6.086% Notes due 2035, which have not been registered under the Securities Act.

"Institutional Accredited Investor" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act.

"Offering Memorandum" means the offering memorandum, dated February 16, 2005, relating to the issuance of the Initial Securities.

"Private Placement Legend" has the meaning set forth in Section 202 of this Indenture.

"Registration Rights Agreement" means the Registration Rights

Agreement, dated as of March 21, 2005, among the Company and Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Banc of America Securities LLC, Barclays Capital Markets Inc., Citigroup Global Markets Inc. and Allen & Company LLC (the "Dealer Managers").

"Registration Statement" has the meaning set forth in the Registration Rights Agreement.

"Regulation S" means Regulation S under the Securities Act, as amended from time to time.

"Regulation S Global Securities" means one or more permanent Global Securities in registered form representing the aggregate principal amount of Securities sold in reliance on Regulation S under the Securities Act.

"Rule 144A" means Rule 144A under the Securities Act, as amended from time to time.

"Rule 144A Global Securities" means one or more permanent Global Securities in registered form representing the aggregate principal amount of Securities sold in reliance on Rule 144A under the Securities Act.

"Shelf Registration Statement" has the meaning set forth in the Registration Rights Agreement.

"Unrestricted Global Securities" means one or more permanent Global Securities in registered form representing the aggregate principal amount of Exchange Securities exchanged for Initial Securities pursuant to the Exchange Offer.

(B) By amending Section 101 to replace in whole the following definitions thereto in lieu of the corresponding existing definitions, so that in the event of a conflict with the definition of terms in the Base Indenture, the following definitions shall control:

"Applicable Procedures" means, with respect to any transfer or transaction involving a Global Security or beneficial interest therein, the rules and procedures of the Depositary for such Security, Euroclear and Clearstream, in each case to the extent applicable to such transaction and as in effect at the time of such transfer or transaction.

"Independent Investment Banker" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Allen & Company LLC and their respective successors, or if such firms are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by the Trustee after consultation with the Company.

"Reference Treasury Dealer" means (1) Merrill Lynch, Pierce, Fenner & Smith Incorporated, Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc. and Allen & Company LLC and their respective successors, provided, however, that if such firms shall cease to be primary U.S. Government securities dealers in New York City (a "Primary Treasury Dealer"), the Company will substitute for such underwriters another Primary Treasury Dealer and (2) any other Primary Treasury Dealer selected by the Independent Investment Banker after consultation with the Company.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 308 in exchange for a mutilated Security or in lieu of a lost, destroyed or stolen Security shall be deemed to evidence the same debt as the mutilated, lost, destroyed or stolen Security.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 309.

(C) By amending Section 102 to replace in whole the following table of definition cross-references:

Term	Defined in Section
"Act"	105
"Additional Senior Notes"	301
"Agent Members"	306
"CUSIP"	310
"Defaulted Interest"	309
"Defeased Securities"	401
"Restricted Period"	201
"Security Register"	305
"Security Registrar"	305
"Special Payment Date"	309
"Successor Company"	801
"U.S. Government Obligations"	404

(D) By amending Section 201 by:

a) deleting "the form of Exhibit A" in the first sentence and inserting instead "the form of Section 202."

b) inserting the following paragraphs following the third paragraph:

“Securities offered and sold in reliance on Rule 144A shall be issued initially in the form of one or more Rule 144A Global Securities, substantially in the form set forth in Section 202, deposited upon issuance with the Trustee, as custodian for the Depositary, registered in the name of the Depositary or its nominee, in each case for credit to an account of a direct or indirect participant of the Depositary, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of the Rule 144A Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

Securities offered and sold in reliance on Regulation S shall be issued in the form of one or more Regulation S Global Securities, substantially in the form set forth in Section 202, deposited upon issuance with the Trustee, as custodian for the Depositary, registered in the name of the Depositary or its nominee, in each case for credit by the Depositary to an account of a direct or indirect participant of the Depositary, duly executed by the Company and authenticated by the Trustee as hereinafter provided; *provided, however*, that upon such deposit through and including the 40th day after the later of the commencement of the offering of such Securities and the original issue date of such Securities (such period through and including such 40th day, the “Restricted Period”), all such Securities shall be credited to or through accounts maintained at the Depositary by or on behalf of Euroclear or Clearstream unless exchanged for interests in the Rule 144A Global Securities in accordance with the transfer and certification requirements described below. The aggregate principal amount of the Regulation S Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

Securities offered and sold in reliance on Regulation D shall be issued initially in the form of one or more IAI Global Securities, substantially in the form set forth in Section 202, deposited upon issuance with the Trustee, as custodian for the Depositary, registered in the name of the Depositary or its nominee, in each case for credit to an account of a direct or indirect participant of the Depositary, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of the IAI Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

Exchange Securities exchanged for Initial Securities shall be issued initially in the form of one or more Unrestricted Global Securities, substantially in the form set forth in Section 202, deposited upon issuance with the Trustee, as custodian for the Depositary, registered in the name of

the Depositary or its nominee, in each case for credit to an account of a direct or indirect participant of the Depositary, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of the Exchange Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

With respect to any Additional Senior Notes issued subsequent to the date of this Indenture, (1) all references in Section 202 herein and elsewhere in this Indenture to a Registration Rights Agreement shall be to the registration rights agreement entered into with respect to such Additional Senior Notes, (2) any references in Section 202 and elsewhere in this Indenture to the Exchange Offer, Exchange Offer Registration Statement, Shelf Registration Statement, Registration Default, and any other term related thereto shall be to such terms as they are defined in such registration rights agreement entered into with respect to such Additional Senior Notes, (3) all time periods described in the Securities with respect to the registration of such Additional Senior Notes shall be as provided in such registration rights agreement entered into with respect to such Additional Senior Notes and (4) all provisions of this Indenture shall be construed and interpreted to permit the issuance of such Additional Senior Notes and to allow such Additional Senior Notes to become fungible and interchangeable with the Initial Securities originally issued under this Indenture."

(E) By amending Section 202 by deleting the text in its entirety and replacing the text with the following paragraphs:

"Section 202. Form of Face of Security.

a) The form of the face of any Initial Securities authenticated and delivered hereunder shall be substantially as follows:

Unless and until (i) an Initial Security is sold under an effective Registration Statement or (ii) an Initial Security is exchanged for an Exchange Security in connection with an effective Registration Statement, in each case pursuant to the Registration Rights Agreement, and except to the extent otherwise provided in Section 307(b) hereof, then such Initial Security shall bear the legend set forth below (the "Private Placement Legend") on the face thereof:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE COMPANY THAT NEITHER THIS

SECURITY NOR ANY INTEREST OR PARTICIPATION THEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED (X) PRIOR TO THE SECOND ANNIVERSARY OF THE ISSUANCE HEREOF OR (Y) AT ANY TIME BY ANY TRANSFEROR THAT WAS AN AFFILIATE OF THE COMPANY DURING THE THREE MONTHS PRECEDING THE DATE OF SUCH OFFER, RESALE, PLEDGE OR OTHER TRANSFER, IN EITHER CASE, OTHER THAN (1) TO THE COMPANY, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (3) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE, TO WHOM NOTICE IS GIVEN THAT THE OFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE WITH A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE), (5) TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (6) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 (IF AVAILABLE) UNDER THE SECURITIES ACT, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTON."

[Legend if Security is a Global Security]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF

A DEPOSITARY OR A NOMINEE OF A DEPOSITARY OR A SUCCESSOR DEPOSITARY. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 306 AND 307 OF THIS INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT AND ANY SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[Legend if Security is a Regulation S Global Security]

THIS SECURITY IS A REGULATION S GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE REFERRED TO HEREIN. INTERESTS IN THIS REGULATION S GLOBAL SECURITY MAY NOT BE OFFERED OR SOLD TO A U.S. PERSON OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD (AS DEFINED IN THIS INDENTURE), AND NO TRANSFER OR EXCHANGE OF AN INTEREST IN THIS REGULATION S GLOBAL SECURITY MAY BE MADE FOR AN INTEREST IN A RULE 144A GLOBAL SECURITY UNTIL AFTER THE TERMINATION OF THE RESTRICTED PERIOD OR AS OTHERWISE PERMITTED BY LAW AND CONTEMPLATED BY THIS INDENTURE.

REPUBLIC SERVICES, INC.

____ % NOTE DUE 2035

CUSIP NO. _____

No. _____ $ _____

Republic Services, Inc., a Delaware corporation (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co. or its registered assigns, the principal sum of ___ ($___) United States dollars on March 15, 2035, at the office or agency of the Company referred to below, and to pay interest thereon from March 21, 2005, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on March 15 and September 15 in each year, commencing September 15, 2005 at the rate of 6.086% per annum, in United States dollars, until the principal hereof is paid or duly provided for. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The principal amount of the Securities which may be issued is unlimited. The Company may issue additional senior notes of the same class and series as this Security in one or more tranches from time to time without notice to or the consent of the existing holders of the Securities. These additional senior notes are referred to in this Security as the "Additional Securities" and all references to the Securities in this Security or in the Indenture shall include the Additional Securities. The Additional Securities shall vote as a class with all other Securities as to matters as to which such Securities have a vote.

The Holder of this Initial Security is entitled to the benefits of a Registration Rights Agreement, dated March 21, 2005, among the Company and the Dealer Managers named therein, pursuant to which, subject to the terms and conditions thereof, the Company is obligated to consummate the Exchange Offer pursuant to which the Holder of this Security shall have the right to exchange this Security for 6.086% Notes due 2035 (herein called the "Exchange Securities") in like principal amount as provided therein. In addition, the Company has agreed to register the Securities for resale under the Securities Act through a Shelf Registration Statement under certain circumstances. The Initial Securities and the Exchange Securities are together referred to as the "Securities." The Initial Securities rank *pari passu* in right of payment with the Exchange Securities. The interest rate on the Initial Securities may increase pursuant to the terms set forth in the Registration Rights Agreement.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 1 or September 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest

not so punctually paid, or duly provided for, and interest on such defaulted interest at the interest rate borne by the Initial Securities, to the extent lawful, shall forthwith cease to be payable to the Holder on such Regular Record Date, and may either be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by the Indenture not inconsistent with the requirements of such exchange, all as more fully provided in the Indenture.

Payment of the principal of, premium, if any, and interest on, this Security, and exchange or transfer of the Security, will be made at the office or agency of the Company in The City of New York maintained for such purpose (which initially will be a corporate trust office of the Trustee or its affiliate located at 101 Barclay Street, Floor 8W, New York, NY 10286), or at such other office or agency as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof or by the authenticating agent appointed as provided in the Indenture by manual signature of an authorized signatory, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the manual or facsimile signature of its authorized officers.

REPUBLIC SERVICES, INC.

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 6.086% Notes due 2035 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK, as Trustee

By: _____
Authorized Signatory

Dated: _____

[FORM OF TRANSFER NOTICE]

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including zip code of assignee)

Insert Taxpayer Identification No.

_____

the within Security and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer such Security on the books of the Company with full power of substitution in the premises.

In connection with any transfer of this Security occurring prior to the date which is the earlier of the date of an effective Registration Statement or two years after the issuance of the relevant Securities, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with this Security, and that:

[Check One]

o (a) this Security is being transferred in compliance with the exemption from registration under the Securities Act of 1933 provided by Rule 144A thereunder.

or

o (b) this Security is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Security and the Indenture.

If none of the foregoing boxes is checked, the Trustee or other Security Registrar shall not be obligated to register this Security in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 307 of, and elsewhere in, the Indenture shall have been satisfied.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: _____

[Signature must be guaranteed by an eligible Guarantor Institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15]

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

_____

NOTICE: To be executed by an authorized signatory

b) The form of the face of any Exchange Securities authenticated and delivered hereunder shall be substantially as follows:

[Legend if Security is a Global Security]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY OR A SUCCESSOR DEPOSITARY. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 306 AND 307 OF THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT AND ANY SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REPUBLIC SERVICES, INC.

6.086% NOTE DUE 2035

CUSIP NO. _____

No. _____ $ _____

Republic Services Inc., a Delaware corporation (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co. or its registered assigns, the principal sum of ___ ($___) United States dollars on March 15, 2035, at the office or agency of the Company referred to below, and to pay interest thereon from March 21, 2005, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on March 15 and September 15 in each year, commencing September 21, 2005 at the rate of 6.086% per annum, in United States dollars, until the principal hereof is paid or duly provided for; *provided* that to the extent interest has not been paid or duly provided for with respect to the Initial Security exchanged for this Exchange Security, interest on this Exchange Security shall accrue from the most recent Interest Payment Date to which interest on the Initial Security which was exchanged for this Exchange Security has been paid or duly provided for. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The principal amount of the Securities which may be issued is unlimited. The Company may issue additional senior notes of the same class and series as this Security in one or more tranches from time to time without notice to or the consent of the existing holders of the Securities. These additional senior notes are referred to in this Security as the "Additional Securities" and all references to the Securities in this Security or in the Indenture shall include the Additional Securities. The Additional Securities shall vote as a class with all other Securities as to matters as to which such Securities have a vote.

This Exchange Security was issued pursuant to the Exchange Offer pursuant to which the 6.086% Notes due 2035 (herein called the "Initial Securities") in like principal amount were exchanged for the Exchange Securities. The Exchange Securities rank *pari passu* in right of payment with the Initial Securities.

For any period in which the Initial Security exchanged for this Exchange Security was outstanding, additional interest may be due and owing on the Initial Security in accordance with the terms of the Registration Rights Agreement.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 1 or September 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest

not so punctually paid, or duly provided for, and interest on such defaulted interest at the interest rate borne by the Exchange Securities, to the extent lawful, shall forthwith cease to be payable to the Holder on such Regular Record Date, and may either be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by the Indenture not inconsistent with the requirements of such exchange, all as more fully provided in the Indenture.

Payment of the principal of, premium, if any, and interest on, this Security, and exchange or transfer of the Security, will be made at the office or agency of the Company in The City of New York maintained for such purpose (which initially will be a corporate trust office of the Trustee or its affiliate located at 101 Barclay Street, Floor 8W, New York, NY 10286), or at such other office or agency as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof or by the authenticating agent appointed as provided in the Indenture by manual signature of an authorized signatory, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the manual or facsimile signature of its authorized officers.

REPUBLIC SERVICES, INC.

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 6.086% Notes due 2035 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK, as Trustee

By: _____
Authorized Signatory

Dated: _____

FORM OF TRANSFEREE CERTIFICATE

I or we assign and transfer this Security to:

Please insert social security or other identifying number of assignee

---

Print or type name, address and zip code of assignee and irrevocably appoint

---

[Agent], to transfer this Security on the books of the Company. The Agent may substitute another to act for him.

Dated _____ Signed _____
(Sign exactly as name appears on the other side of this Security)

[Signature must be guaranteed by an eligible Guarantor Institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved guarantee medallion program pursuant to Securities and Exchange Commission Rule 17 Ad-15]"

(F) By adding the following Section 203:

"Section 203. Form of Reverse of Securities.

a) The form of the reverse of the Initial Securities shall be substantially as follows:

REPUBLIC SERVICES, INC.

6.086% Note due 2035

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.086% Notes due 2035 (herein called the "Securities"), limited (except as otherwise provided in the Indenture referred to below) in aggregate principal amount to $ ___, issued under and subject to the terms of an indenture (herein called the "Indenture") dated as of August 15, 2001, among the Company and The Bank of New York, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as supplemented by a Second Supplemental Indenture, dated as of March 21, 2005, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities may be redeemed at any time, at the option of the Company, in whole or in part, at any time and from time to time, upon not less than 30 and not more than 60 days' notice to the Holders thereof as provided in the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Securities to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points, plus, in each case, accrued interest to the Redemption Date (subject to the right of holders of record of such Securities on relevant record dates to receive interest due on an interest payment date), if any.

If less than all of the Securities are to be redeemed, the Trustee shall select, not more than 60 nor less than 30 days before the Redemption Date, the Securities or portions thereof to be redeemed on a pro rata basis, by lot or by any other method the Trustee shall deem fair and appropriate.

In the case of any redemption or repurchase of Securities in accordance with the Indenture, interest installments whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities of record as of the close of business on the relevant Regular Record Date or Special Record Date referred to on the face hereof. Securities (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date.

In the event of redemption or repurchase of this Security in accordance with the Indenture in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal amount of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire Indebtedness on the Securities and (b) certain covenants and Defaults and Events of Default, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions (including certain amendments permitted without the consent of any Holders and certain amendments which require the consent of all the Holders) as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders under the Indenture and the Securities at any time by the Company and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in aggregate principal amount of the Securities (100% of the Holders in certain circumstances) at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and the Securities of such series and certain past Defaults and Events of Default under the Indenture and the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, or any other obligor on the Securities (in the event such other obligor is obligated to make payments in respect of the Securities), which is absolute and unconditional, to pay the principal of, premium, if any, and interest on, this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or its attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Certificated securities may not be transferred to beneficial holders in exchange for their beneficial interests in the Rule 144A Global Securities, the Regulation S Global Securities

or the IAI Global Securities unless (i) the Depositary (A) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) has ceased to be a clearing agency registered as such under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Securities in certificated form or (iii) there shall have occurred and be continuing an Event of Default or any event which after notice or lapse of time or both would be an Event of Default with respect to such Global Security. Upon any such issuance, the Trustee is required to register such certificated Initial Securities in the name of, and cause the same to be delivered to, such Person or Persons (or the nominee of any thereof). All such certificated Initial Securities would be required to include the Private Placement Legend unless the Legend is not required by applicable law.

Initial Securities in certificated form are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Initial Securities are exchangeable for a like aggregate principal amount of Securities of a differing authorized denomination, as requested by the Holder surrendering the same.

At any time when the Company is not subject to Sections 13 or 15(d) of the Exchange Act, upon the written request of a Holder of an Initial Security, the Company will promptly furnish or cause to be furnished such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto) to such Holder or to a prospective purchaser of such Initial Security who such Holder informs the Company is reasonably believed to be a “Qualified Institutional Buyer” within the meaning of Rule 144A under the Securities Act in order to permit compliance by such Holder with Rule 144A under the Securities Act.

Except as indicated in the Indenture, no service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

All terms used in this Security which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

b) The form of the reverse of the Exchange Securities shall be substantially as follows:

REPUBLIC SERVICES, INC.

6.086% Note due 2035

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.086% Notes due 2035 (herein called the "Exchange Securities"), issued under and subject to the terms of an indenture (herein called the "Indenture") dated as of August 15, 2001, among the Company and The Bank of New York, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as supplemented by a Second Supplemental Indenture, dated as of March 21, 2005, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities may be redeemed at any time, at the option of the Company, in whole or in part, at any time and from time to time, upon not less than 30 and not more than 60 days' notice to the Holders thereof as provided in the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Securities to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points, plus, in each case, accrued interest to the Redemption Date (subject to the right of holders of record of such Securities on relevant record dates to receive interest due on an interest payment date), if any.

If less than all of the Securities are to be redeemed, the Trustee shall select, not more than 60 nor less than 30 days before the Redemption Date, the Securities or portions thereof to be redeemed on a pro rata basis, by lot or by any other method the Trustee shall deem fair and appropriate.

In the case of any redemption or repurchase of Securities in accordance with the Indenture, interest installments whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities of record as of the close of business on the relevant Regular Record Date or Special Record Date referred to on the face hereof. Securities (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date.

In the event of redemption or repurchase of this Security in accordance with the Indenture in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal amount of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire Indebtedness on the Securities and (b) certain covenants and Defaults and Events of Default, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions (including certain amendments permitted without the consent of any Holders and certain amendments which require the consent of all the Holders) as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the Guarantors and the rights of the Holders under the Indenture and the Securities and the Guarantees at any time by the Company and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in aggregate principal amount of the Securities (100% of the Holders in certain circumstances) at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and the Securities of such series and certain past Defaults and Events of Default under the Indenture and the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company or any other obligor on the Securities (in the event such other obligor is obligated to make payments in respect of the Securities), which is absolute and unconditional, to pay the principal of, and premium, if any, and interest on, this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or its attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Certificated securities may not be transferred to beneficial holders in exchange for their beneficial interests in the Exchange Securities unless (i) the Depositary (A) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) has ceased to be a clearing agency registered as such under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Securities in

certificated form or (iii) there shall have occurred and be continuing an Event of Default or any event which after notice or lapse of time or both would be an Event of Default with respect to such Global Security. Upon any such issuance, the Trustee is required to register such certificated Exchange Securities in the name of, and cause the same to be delivered to, such Person or Persons (or the nominee of any thereof).

Exchange Securities in certificated form are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Exchange Securities are exchangeable for a like aggregate principal amount of Securities of a differing authorized denomination, as requested by the Holder surrendering the same.

Except as indicated in the Indenture, no service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

All terms used in this Security which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture."

(G) By inserting after the first sentence in Section 301 the following:

"The aggregate principal amount of Senior Notes which may be issued under this Indenture, as supplemented by the Second Supplemental Indenture, dated as of March 21, 2005, shall be unlimited and the Company may issue additional senior notes of the same class and series as the Senior Notes in one or more tranches from time to time, without notice to or the consent of existing holders of the Securities (the "Additional Senior Notes"). The Additional Senior Notes shall have the same terms as all other Senior Notes and all references in the Indenture (as supplemented the Second Supplemental Indenture, dated as of March 21, 2005) shall be deemed to also refer to the Additional Senior Notes. The Additional Senior Notes shall vote as a class with all other Senior Notes as to matters as to which such Senior Notes have a vote."

(H) By amending Section 305:

a) by deleting "." at the end of the fourth paragraph and adding the following clause:

"; *provided* that no exchange of Initial Securities for Exchange Securities shall occur until an Exchange Offer Registration Statement shall have been declared effective by the Commission and the Exchange Offer shall have expired; and *provided, further, however* that the Initial Securities exchanged for the Exchange Securities shall be canceled."

b) By deleting "in Exhibits A and B hereto" at the end of paragraph nine and inserting instead "in Section 202 hereto."

c) By adding the following paragraph after the ninth paragraph:

"Every Security shall be subject to the restrictions on transfer provided in the legend required to be set forth on the face of each Security pursuant to Section 202, and the restrictions set forth in this Section 305, and the Holder of each Security, by such Holder's acceptance thereof (or interest therein), agrees to be bound by such restrictions on transfer."

(I) By amending Section 306(a) by deleting "in Exhibits A and B hereto" at the end of paragraph one and inserting instead "in Section 202 hereto."

(J) By renumbering each of Section 307, Section 308, Section 309, Section 310, Section 311 and Section 312 to now become Section 308, Section 309, Section 310, Section 311, Section 312 and Section 313, respectively; by deleting "this Section 308" in the last paragraph of Section 308 and inserting instead "this Section 309;" by deleting "subject to Section 308" in Section 310 and inserting instead "subject

to Section 309;" by deleting "this Section 311" in the last paragraph of Section 311 and inserting instead "this Section 312;" and by inserting the following as Section 307:

"Section 307. Special Transfer and Exchange Provisions.

a) Certain Transfers and Exchanges. Transfers and exchanges of Securities and beneficial interests in a Global Security of the kinds specified in this Section 307 shall be made only in accordance with this Section 307 and subject in each case to the Applicable Procedures.

(i) Rule 144A Global Security to Regulation S Global Security. If the owner of a beneficial interest in the Rule 144A Global Security wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Regulation S Global Security, such transfer may be effected only in accordance with the provisions of this paragraph and paragraph (viii) below and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the Regulation S Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Rule 144A Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) a Regulation S Certificate in the form of Exhibit A hereto, satisfactory to the Trustee and duly executed by the owner of such beneficial interest in the Rule 144A Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar but subject to paragraph (viii) below, shall reduce the principal amount of the Rule 144A Global Security and increase the principal amount of the Regulation S Global Security by such specified principal amount as provided in Section 306(c).

(ii) Rule 144A Global Security to IAI Global Security. If the owner of a beneficial interest in the Rule 144A Global Security wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the IAI Global Security, such transfer may be effected only in accordance with the provisions of this paragraph and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the IAI Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Rule 144A Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) an Institutional Accredited Investor Certificate in the form of Exhibit C hereto, satisfactory to the Trustee, then the Trustee, as Security Registrar, shall reduce the principal amount of the Rule 144A Global Security and increase the principal amount of the IAI Global Security by such specified principal amount as provided in Section 306(c).

(iii) Regulation S Global Security to Rule 144A Global Security. If the owner of a beneficial interest in the Regulation S Global Security wishes at any time to transfer

such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Rule 144A Global Security, such transfer may be effected only in accordance with this paragraph and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the Rule 144A Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Regulation S Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) if such transfer is to occur during the Restricted Period, a Restricted Securities Certificate in the form of Exhibit B hereto, satisfactory to the Trustee and duly executed by the owner of such beneficial interest in the Regulation S Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of the Regulation S Global Security and increase the principal amount of the Rule 144A Global Security by such specified principal amount as provided in Section 306(c).

(iv) Regulation S Global Security to IAI Global Security. If the owner of a beneficial interest in the Regulation S Global Security wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the IAI Global Security, such transfer may be effected only in accordance with this paragraph and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the IAI Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Regulation S Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) if such transfer is to occur during the Restricted Period, an Institutional Accredited Investor Certificate in the form of Exhibit C hereto, satisfactory to the Trustee, then the Trustee, as Security Registrar, shall reduce the principal amount of the Regulation S Global Security and increase the principal amount of the IAI Global Security by such specified principal amount as provided in Section 306(c).

(v) IAI Global Security to Regulation S Global Security. If the owner of a beneficial interest in the IAI Global Security wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Regulation S Global Security, such transfer may be effected only in accordance with the provisions of this paragraph and paragraph (viii) below and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the IAI Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the IAI Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) a Regulation S Certificate in the form of Exhibit A hereto, satisfactory to the Trustee and duly executed by the owner of such beneficial interest in the IAI Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar but subject to paragraph (viii) below, shall reduce the principal amount of the IAI Global Security and

increase the principal amount of the Regulation S Global Security by such specified principal amount as provided in Section 306(c).

(vi) IAI Global Security to Rule 144A Global Security. If the owner of a beneficial interest in the IAI Global Security wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Rule 144A Global Security, such transfer may be effected only in accordance with this paragraph and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (a) an order given by the Depositary or its authorized representative directing that a beneficial interest in the Rule 144A Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the IAI Global Security in an equal principal amount be debited from another specified Agent Member's account and (b) if such transfer is to occur during the Restricted Period, a Restricted Securities Certificate in the form of Exhibit B hereto, satisfactory to the Trustee and duly executed by the owner of such beneficial interest in the IAI Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of the IAI Global Security and increase the principal amount of the Rule 144A Global Security by such specified principal amount as provided in Section 306(c).

(vii) Exchanges between Global Security and Non-Global Security. A beneficial interest in a Global Security may be exchanged for a Security that is not a Global Security as provided in Section 307(b); *provided* that, if such interest is a beneficial interest in the Rule 144A Global Security, or if such interest is a beneficial interest in the IAI Global Security, or if such interest is a beneficial interest in the Regulation S Global Security and such exchange is to occur during the Restricted Period, then such interest shall bear the Private Placement Legend (subject in each case to Section 307(b)).

(viii) Regulation S Global Security to be Held Through Euroclear or Clearstream During Restricted Period. The Company shall use its best efforts to cause the Depositary to ensure that, until the expiration of the Restricted Period, beneficial interests in the Regulation S Global Security may be held only in or through accounts maintained at the Depositary by Euroclear or Clearstream (or by Agent Members acting for the account thereof), and no person shall be entitled to effect any transfer or exchange that would result in any such interest being held otherwise than in or through such an account; *provided* that this paragraph (viii) shall not prohibit any transfer or exchange of such an interest in accordance with paragraph (ii) above.

b) Private Placement Legends. Rule 144A Global Securities and their Successor Securities, IAI Global Securities and their Successor Securities and Regulation S Global Securities and their Successor Securities shall bear a Private Placement Legend, subject to the following:

(i) subject to the following clauses of this Section 307(b), a Security or any portion thereof which is exchanged, upon transfer or otherwise, for a Global Security or

any portion thereof shall bear the Private Placement Legend borne by such Global Security while represented thereby;

(ii) subject to the following clauses of this Section 307(b) herein, a new Security which is not a Global Security and is issued in exchange for another Security (including a Global Security) or any portion thereof, upon transfer or otherwise, shall bear the Private Placement Legend borne by such other Security;

(iii) all Securities sold or otherwise disposed of pursuant to an effective registration statement under the Securities Act, together with their respective Successor Securities, shall not bear a Private Placement Legend;

(iv) at any time after the Securities may be freely transferred without registration under the Securities Act or without being subject to transfer restrictions pursuant to the Securities Act, a new Security which does not bear a Private Placement Legend may be issued in exchange for or in lieu of a Security (other than a Global Security) or any portion thereof which bears such a legend if the Trustee has received an Unrestricted Securities Certificate substantially in the form of Exhibit D hereto, satisfactory to the Trustee and duly executed by the Holder of such legended Security or his attorney duly authorized in writing, and after such date and receipt of such certificate, the Trustee shall authenticate and deliver such a new Security in exchange for or in lieu of such other Security as provided in this Article Three;

(v) a new Security which does not bear a Private Placement Legend may be issued in exchange for or in lieu of a Security (other than a Global Security) or any portion thereof which bears such a legend if, in the Company's judgment, placing such a legend upon such new Security is not necessary to ensure compliance with the registration requirements of the Securities Act, and the Trustee, at the direction of the Company, shall authenticate and deliver such a new Security as provided in this Article Three; and

(vi) notwithstanding the foregoing provisions of this Section 307(b), a Successor Security of a Security that does not bear a particular form of Private Placement Legend shall not bear such form of legend unless the Company has reasonable cause to believe that such Successor Security is a "restricted security" within the meaning of Rule 144, in which case the Trustee, at the direction of the Company, shall authenticate and deliver a new Security bearing a Private Placement Legend in exchange for such Successor Security as provided in this Article Three.

By its acceptance of any Security bearing the Private Placement Legend, each Holder of such a Security acknowledges the restrictions on transfer of such Security set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Security only as provided in this Indenture. Each Holder of a Security agrees to indemnify the Company and the Trustee against any liability that may result from the transfer, exchange or assignment of such Holder's Security in violation of any provision of this Indenture and/or applicable United States Federal or state securities law.

The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Participants or beneficial owners of interests in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

The Security Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 306 or this Section 307. The Company shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Security Registrar."

(K) By amending Section 401 by adding the following sentence at the end thereof as follows:

"Both Section 402 (defeasance) and Section 403 (covenant defeasance) shall apply to the Senior Notes."

(L) By amending Section 508 by deleting "subject to Section 308" and inserting instead "subject to Section 309".

(M) By amending Section 901 by:

(a) deleting "." at the end of clause (m) and inserting instead "; and"; and

(b) inserting the following clause after clause (m):

"(n) to add additional Securities of the same class and series in one or more tranches from time to time."

(N) By amending Section 1005(c) by deleting "Exempted Debt does not exceed 20% of Consolidated Net Tangible Assets" and inserting instead "Exempted Debt (including the Indebtedness to be secured by Liens created or assumed under this Section 1005(c)) does not exceed 20% of Consolidated Net Tangible Assets."

(O) By amending Section 1101 to add the following at the end of the first paragraph:

"The Senior Notes will be redeemable, as a whole or in part, at the option of the Company, at any time or from time to time, at a redemption price equal to the greater of:

(1) 100% of the principal amount of the Senior Notes to be redeemed, and

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the Senior Notes to be redeemed discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points. Accrued interest will be payable to the redemption date."

(P) By amending Section 1107 by deleting "of Section 308" at the end of the first paragraph and inserting instead "of Section 309."

(Q) By amending Section 1201(a)(1) by deleting "as provided in Section 308" and inserting instead "as provided in Section 309."

(R) By deleting Exhibit A thereto in its entirety and inserting in its place the following:

"EXHIBIT A

REGULATION S CERTIFICATE

(For transfers pursuant to § 307(a)(i) and § 307(a)(v) of the Indenture)

The Bank of New York
101 Barclay Street – 8 West
New York, NY 10286
Attention: Corporate Trust Administration

Re: 6.086% Notes due 2035 of Republic Services, Inc. (the "Securities")

Reference is made to the indenture, dated as of August 15, 2001 (the "Base Indenture"), among Republic Services, Inc., a Delaware corporation (the "Company") and The Bank of New York, a New York banking corporation, as trustee (the "Trustee"), supplemented by the Second Supplemental Indenture, dated as of March 21, 2005 (the "Second Supplemental Indenture"), each among the Company and the Trustee (the Second Supplemental Indenture, together with the Base Indenture, are referred to herein as the "Indenture"). Terms used herein and defined in the Indenture or in Regulation S or Rule 144 under the U.S. Securities Act of 1933 (the "Securities Act") are used herein as so defined.

This certificate relates to US$___ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s). _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that either (i) it is the sole beneficial owner of the Specified Securities or (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so. Such beneficial owner or owners are referred to herein collectively as the "Owner." The Specified Securities are represented by a Global Security and are held through the Depositary or an Agent Member in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the

"Transferee") who will take delivery in the form of a Regulation S Global Security. In connection with such transfer, the Owner hereby certifies that, unless such transfer is being effected pursuant to an effective registration statement under the Securities Act, it is being effected in accordance with Rule 904 or Rule 144 under the Securities Act and with all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

(1) Rule 904 Transfers. If the transfer is being effected in accordance with Rule 904:

(A) the Owner is not a distributor of the Securities, an affiliate of the Company or any such distributor or a person acting on behalf of any of the foregoing;

(B) the offer of the Specified Securities was not made to a person in the United States;

(C) either:

(i) at the time the buy order was originated, the Transferee was outside the United States or the Owner and any person acting on its behalf reasonably believed that the Transferee was outside the United States, or

(ii) the transaction is being executed in, on or through the facilities of the Eurobond market, as regulated by the Association of International Bond Dealers, or another designated offshore securities market and neither the Owner nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States;

(D) no directed selling efforts have been made in the United States by or on behalf of the Owner or any affiliate thereof;

(E) if the Owner is a dealer in securities or has received a selling concession, fee or other remuneration in respect of the Specified Securities, and the transfer is to occur during the Restricted Period, then the requirements of Rule 904(c)(1) have been satisfied; and

(F) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

(A) the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144; or

(B) the transfer is occurring after a holding period of at least two years has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and the Owner is not, and during the preceding three months has not been, an affiliate of the Company.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Undersigned, as such term is defined in the second paragraph of this certificate.)

By: _____
Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)"

(S) By inserting the following Exhibit B, to follow Exhibit A previously inserted:

"EXHIBIT B

RESTRICTED SECURITIES CERTIFICATE

(For transfers pursuant to § 307(a)(iii) and § 307(a)(viii) of the Indenture)

The Bank of New York
101 Barclay Street – 8 West
New York, NY 10286
Attention: Corporate Trust Administration

Re: 6.086% Notes due 2035 of Republic Services, Inc.
(the "Securities")

Reference is made to the indenture, dated as of August 15, 2001 (the "Base Indenture"), among Republic Services, Inc., a Delaware corporation (the "Company") and The Bank of New York, a New York banking corporation, as trustee (the "Trustee"), supplemented by the Second Supplemental Indenture, dated as of March 21, 2005 (the "Second Supplemental Indenture"), each among the Company and the Trustee (the Second Supplemental Indenture, together with the Base Indenture, are referred to herein as the "Indenture"). Terms used herein and defined in the Indenture or in Rule 144A or Rule 144 under the U.S. Securities Act of 1933 (the "Securities Act") are used herein as so defined.

This certificate relates to US$___ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s). _____
ISIN No(s). If any. _____
CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that either (i) it is the sole beneficial owner of the Specified Securities or (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so. Such beneficial owner or owners are referred to herein collectively as the "Owner." The Specified Securities are represented by a Global Security and are held through the Depositary or an Agent Member in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the "Transferee") who will take delivery in the form of a Restricted Security. In connection with such transfer, the Owner hereby certifies that, unless such transfer is being effected pursuant to an effective registration statement under the Securities Act, it is being effected in accordance with Rule 144A or Rule 144 under the Securities Act and all applicable securities laws of the

states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

(1) Rule 144A Transfers. If the transfer is being effected in accordance with Rule 144A:

(A) the Specified Securities are being transferred to a person that the Owner and any person acting on its behalf reasonably believe is a "qualified institutional buyer" within the meaning of Rule 144A, acquiring for its own account or for the account of a qualified institutional buyer; and

(B) the Owner and any person acting on its behalf have taken reasonable steps to ensure that the Transferee is aware that the Owner may be relying on Rule 144A in connection with the transfer; and

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

(A) the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144; or

(B) the transfer is occurring after a holding period of at least two years has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and the Owner is not, and during the preceding three months has not been, an affiliate of the Company.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Undersigned, as such term is defined in the second paragraph of this certificate.)

By: _____
Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)"

(T) By inserting the following C, to follow Exhibit B previously inserted:

"EXHIBIT C

INSTITUTIONAL ACCREDITED INVESTOR CERTIFICATE

(For transfers pursuant to § 307(a)(ii) and § 307(a)(iv) of the Indenture)

The Bank of New York
101 Barclay Street – 8 West
New York, NY 10286
Attention: Corporate Trust Administration

Re: 6.086% Notes due 2035 of Republic Services, Inc.
(the "Securities")

Reference is made to the indenture, dated as of August 15, 2001 (the "Base Indenture"), among Republic Services, Inc., a Delaware corporation (the "Company") and The Bank of New York, a New York banking corporation, as trustee (the "Trustee"), supplemented by the Second Supplemental Indenture, dated as of March 21, 2005 (the "Second Supplemental Indenture"), each among the Company and the Trustee (the Second Supplemental Indenture, together with the Base Indenture, are referred to herein as the "Indenture"). Terms used herein and defined in the Indenture are used herein as so defined.

We are delivering this letter in connection with the proposed transfer of $___ principal amount of Securities.

We, the undersigned, hereby confirm that:

(i) we are an "accredited investor" within the meaning of Rule 501(a)(1), (2) or (3) under the Securities Act of 1933, as amended (the "Securities Act"), or an entity in which all of the equity owners are accredited investors within the meaning of Rule 501(a)(1), (2) or (3) under the Securities Act (an "Institutional Accredited Investor");

(ii) the purchase of the Securities by us is for our own account or for the account of one or more other Institutional Accredited Investors or as fiduciary for the account of one or more trusts, each of which is an "accredited investor" within the meaning of Rule 501(a)(7) under the Securities Act and for each of which we exercise sole investment discretion or (B) we are a "bank," within the meaning of Section 3(a)(2) of the Securities Act, or a "savings and loan association" or other institution described in Section 3(a)(5)(A) of the Securities Act that is acquiring the Securities as fiduciary for the account of one or more institutions for which we exercise sole investment discretion;

(iii) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing the Securities; and

(iv) we are not acquiring the Securities with a view to distribution thereof or with any present intention of offering or selling the Securities, except as permitted below; provided that the disposition of our property and property of any accounts for which we are acting as fiduciary shall remain at all times within our control.

We understand that the Securities were originally offered and sold in a transaction not involving any public offering within the United States within the meaning of the Securities Act and that the Securities have not been registered under the Securities Act, and we agree, on our own behalf and on behalf of each account for which we acquire any Securities, that if in the future we decide to resell or otherwise transfer such Securities prior to the date (the "Resale Restriction Termination Date") which is two years after the later of the original issuance of the Securities and the last date on which the Company or an affiliate of the Company was the owner of the Security, such Securities may be resold or otherwise transferred only (i) to the Company or any subsidiary thereof, or (ii) for as long as the Securities are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) that purchases for its own account or for the account of a qualified institutional buyer to which notice is given that the transfer is being made in reliance on Rule 144A, or (iii) to an Institutional Accredited Investor that is acquiring the Security for its own account, or for the account of such Institutional Accredited Investor for investment purposes and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act, or (iv) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, or (v) pursuant to another available exemption from registration under the Securities Act (if applicable), or (vi) pursuant to a registration statement which has been declared effective under the Securities Act and, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdiction and in accordance with the legends set forth on the Securities. We further agree to provide any person purchasing any of the Securities other than pursuant to clause (vi) above from us a notice advising such purchaser that resales of such securities are restricted as stated herein. We understand that the trustee or the transfer agent, as the case may be, for the Securities will not be required to accept for registration of transfer any Securities pursuant to (iii), (iv) or (v) above except upon presentation of evidence satisfactory to the Company that the foregoing restrictions on transfer have been complied with. We further understand that any Securities are represented by a Global Security and are held through the Depositary or an Agent Member in the name of the undersigned, as or on behalf of the owner and that such Global Security will bear a legend reflecting the substance of this paragraph other than certificates representing Securities transferred pursuant to clause (vi) above.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Institutional Accredited Investor)

By: _____
Name:
Title:"

(U) By inserting the following D after Exhibit C previously inserted:

"EXHIBIT D

UNRESTRICTED SECURITIES CERTIFICATE

(For removal of Securities Act Legends pursuant to § 307(b) of the Indenture)

The Bank of New York
101 Barclay Street – 8 West
New York, NY 10286
Attention: Corporate Trust Administration

Re: 6.086% Notes due 2035 of Republic Services, Inc. (the "Securities")

Reference is made to the indenture, dated as of August 15, 2001 (the "Base Indenture"), among Republic Services, Inc., a Delaware corporation (the "Company") and The Bank of New York, a New York banking corporation, as trustee (the "Trustee"), supplemented by the Second Supplemental Indenture, dated as of March 21, 2005 (the "Second Supplemental Indenture"), each among the Company and the Trustee (the Second Supplemental Indenture, together with the Base Indenture, are referred to herein as the "Indenture"). Terms used herein and defined in the Indenture or in Rule 144A or Rule 144 under the U.S. Securities Act of 1933 (the "Securities Act") are used herein as so defined.

This certificate relates to US$_____ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s). _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that either (i) it is the sole beneficial owner of the Specified Securities or (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so. Such beneficial owner or owners are referred to herein collectively as the "Owner." If the Specified Securities are represented by a Global Security, they are held through the Depositary or an Agent Member in the name of the Undersigned, as or on behalf of the Owner. If the Specified Securities are not represented by a Global Security, they are registered in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be exchanged for Securities bearing no Private Placement Legend pursuant to Section 307(b) of the Indenture. In connection with such exchange, the Owner hereby certifies that the exchange is occurring after a holding period of at least two years (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and the Owner is not, and during the preceding three months has

not been, an affiliate of the Company. The Owner also acknowledges that any future transfers of the Specified Securities must comply with all applicable securities laws of the states of the United States and other jurisdictions.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Undersigned, as such term is defined in the second paragraph of this certificate.)

By: _____
Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)"

SECTION 2. The Base Indenture, as supplemented and amended by this Second Supplemental Indenture, is in all respects ratified and confirmed, and the Base Indenture and this Second Supplemental Indenture shall be read, taken and construed as one and the same instrument. All provisions included in this Second Supplemental Indenture supersede any similar provisions included in the Base Indenture unless not permitted by law.

SECTION 3. If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this Second Supplemental Indenture by any of the provisions of the Trust Indenture Act, such required provision shall control.

SECTION 4. All covenants and agreements in this Second Supplemental Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 5. In the event that any provision in this Second Supplemental Indenture or in the Senior Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions (or of the other series of senior notes) shall not in any way be affected or impaired thereby.

SECTION 6. Nothing in this Second Supplemental Indenture, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, and the Holders of the Senior Notes any benefit or any legal or equitable right, remedy or claim under this Second Supplemental Indenture.

SECTION 7. This Second Supplemental Indenture and each Security shall be deemed to a contract made under the laws of the State of New York and this Second Supplemental Indenture and each such Senior Note shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 8. All terms used in this Second Supplemental Indenture not otherwise defined herein that are defined in the Base Indenture shall have the meanings set forth therein.

SECTION 9. This Second Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of a signature page hereto by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart of this Second Supplemental Indenture.

SECTION 10. The recitals contained herein and in the senior notes, except the Trustee’s certificates of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Second Supplemental Indenture or of the senior notes. The Trustee shall not be accountable for the use or application by the Company of senior notes or the proceeds thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed all as of the day and year first above written.

REPUBLIC SERVICES, INC.

as Issuer

By: /s/ Edward A. Lang, III
Name: Edward A. Lang, III
Title: Vice President, Finance and Treasurer

THE BANK OF NEW YORK
as Trustee

By: /s/ George W. Bemister, III
Name: George W. Bemister, III
Title: Agent

Exhibit 4.2

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE COMPANY THAT NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION THEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED (X) PRIOR TO THE SECOND ANNIVERSARY OF THE ISSUANCE HEREOF OR (Y) AT ANY TIME BY ANY TRANSFEROR THAT WAS AN AFFILIATE OF THE COMPANY DURING THE THREE MONTHS PRECEDING THE DATE OF SUCH OFFER, RESALE, PLEDGE OR OTHER TRANSFER, IN EITHER CASE, OTHER THAN (1) TO THE COMPANY, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (3) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE, TO WHOM NOTICE IS GIVEN THAT THE OFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE WITH A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE), (5) TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES

ACT, OR (6) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 (IF AVAILABLE) UNDER THE SECURITIES ACT, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTON.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY OR A SUCCESSOR DEPOSITARY. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 306 AND 307 OF THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT AND ANY SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REPUBLIC SERVICES, INC.

6.086% NOTE DUE 2035

CUSIP NO. 760759 AD 2

No. 1 $270,348,000

Republic Services, Inc., a Delaware corporation (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co. or its registered assigns, the principal sum of Two Hundred Seventy Million Three Hundred Forty-Eight Thousand ($270,348,000) United States dollars on March 15, 2035, at the office or agency of the Company referred to below, and to pay interest thereon from March 21, 2005, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on March 15 and September 15 in each year, commencing September 15, 2005 at the rate of 6.086% per annum, in United States dollars, until the principal hereof is paid or duly provided for. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The principal amount of the Securities which may be issued is unlimited. The Company may issue additional senior notes of the same class and series as this Security in one or more tranches from time to time without notice to or the consent of the existing holders of the Securities. These additional senior notes are referred to in this Security as the "Additional Securities" and all references to the Securities in this Security or in the Indenture shall include the Additional Securities. The Additional Securities shall vote as a class with all other Securities as to matters as to which such Securities have a vote.

The Holder of this Initial Security is entitled to the benefits of a Registration Rights Agreement, dated March 21, 2005, among the Company and the Dealer Managers named therein, pursuant to which, subject to the terms and conditions thereof, the Company is obligated to consummate the Exchange Offer pursuant to which the Holder of this Security shall have the right to exchange this Security for 6.086% Notes due 2035 (herein called the "Exchange Securities") in like principal amount as provided therein. In addition, the Company has agreed to register the Securities for resale under the Securities Act through a Shelf Registration Statement under certain circumstances. The Initial Securities and the Exchange Securities are together referred to as the "Securities." The Initial Securities rank *pari passu* in right of payment with the Exchange Securities. The interest rate on the Initial Securities may increase pursuant to the terms set forth in the Registration Rights Agreement.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name

this Security (or any Predecessor Security) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 1 or September 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid, or duly provided for, and interest on such defaulted interest at the interest rate borne by the Initial Securities, to the extent lawful, shall forthwith cease to be payable to the Holder on such Regular Record Date, and may either be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by the Indenture not inconsistent with the requirements of such exchange, all as more fully provided in the Indenture.

Payment of the principal of, premium, if any, and interest on, this Security, and exchange or transfer of this Security, will be made at the office or agency of the Company in The City of New York maintained for such purpose (which initially will be a corporate trust office of the Trustee or its affiliate located at 101 Barclay Street, Floor 8W, New York, NY 10286), or at such other office or agency as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof or by the authenticating agent appointed as provided in the Indenture by manual signature of an authorized signatory, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the manual or facsimile signature of its authorized officers.

REPUBLIC SERVICES, INC.

By: /s/ Edward A. Lang, III
Name: Edward A. Lang, III
Title: Vice President, Finance and Treasurer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 6.086% Notes due 2035 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK, as Trustee

By: /s/ Ming Ryan
Authorized Signatory

Dated: _____

TRANSFER NOTICE

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including zip code of assignee)

Insert Taxpayer Identification No.

_____

the within Security and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer such Security on the books of the Company with full power of substitution in the premises.

In connection with any transfer of this Security occurring prior to the date which is the earlier of the date of an effective Registration Statement or two years after the issuance of the relevant Securities, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with this Security, and that:

[Check One]

o (a) this Security is being transferred in compliance with the exemption from registration under the Securities Act of 1933 provided by Rule 144A thereunder.

or

o (b) this Security is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Security and the Indenture.

If none of the foregoing boxes is checked, the Trustee or other Security Registrar shall not be obligated to register this Security in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 307 of, and elsewhere in, the Indenture shall have been satisfied.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: _____

[Signature must be guaranteed by an eligible Guarantor Institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15]

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

_____

NOTICE: To be executed by an authorized signatory

REVERSE SIDE OF SECURITY

REPUBLIC SERVICES, INC.

6.086% Note due 2035

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.086% Notes due 2035 (herein called the "Securities"), limited (except as otherwise provided in the Indenture referred to below) in aggregate principal amount to $270,348,000, issued under and subject to the terms of an indenture (herein called the "Indenture") dated as of August 15, 2001, among the Company and The Bank of New York, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as supplemented by a Second Supplemental Indenture, dated as of March 21, 2005, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities may be redeemed at any time, at the option of the Company, in whole or in part, at any time and from time to time, upon not less than 30 and not more than 60 days' notice to the Holders thereof as provided in the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Securities to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points, plus, in each case, accrued interest to the Redemption Date (subject to the right of holders of record of such Securities on relevant record dates to receive interest due on an interest payment date), if any.

If less than all of the Securities are to be redeemed, the Trustee shall select, not more than 60 nor less than 30 days before the Redemption Date, the Securities or portions thereof to be redeemed on a pro rata basis, by lot or by any other method the Trustee shall deem fair and appropriate.

In the case of any redemption or repurchase of Securities in accordance with the Indenture, interest installments whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities of record as of the close of business on the relevant Regular Record Date or Special Record Date referred to on the face hereof. Securities (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date.

In the event of redemption or repurchase of this Security in accordance with the Indenture in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal amount of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire Indebtedness on the Securities and (b) certain covenants and Defaults and Events of Default, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions (including certain amendments permitted without the consent of any Holders and certain amendments which require the consent of all the Holders) as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders under the Indenture and the Securities at any time by the Company and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in aggregate principal amount of the Securities (100% of the Holders in certain circumstances) at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and the Securities of such series and certain past Defaults and Events of Default under the Indenture and the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, or any other obligor on the Securities (in the event such other obligor is obligated to make payments in respect of the Securities), which is absolute and unconditional, to pay the principal of, premium, if any, and interest on, this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or its attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Certificated securities may not be transferred to beneficial holders in exchange for their beneficial interests in the Rule 144A Global Securities, the Regulation S Global Securities or the IAI Global Securities unless (i) the Depositary (A) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) has ceased to be a clearing agency registered as such under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Securities in certificated form or (iii) there shall have occurred and be continuing an Event of Default or any event which after notice or lapse of time or both would be an Event of Default with respect to such Global Security. Upon any such issuance, the Trustee is required to register such certificated Initial Securities in the name of, and cause the same to be delivered to, such Person or Persons (or the nominee of any thereof). All such certificated Initial Securities would be required to include the Private Placement Legend unless the Legend is not required by applicable law.

Initial Securities in certificated form are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Initial Securities are exchangeable for a like aggregate principal amount of Securities of a differing authorized denomination, as requested by the Holder surrendering the same.

At any time when the Company is not subject to Sections 13 or 15(d) of the Exchange Act, upon the written request of a Holder of an Initial Security, the Company will promptly furnish or cause to be furnished such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto) to such Holder or to a prospective purchaser of such Initial Security who such Holder informs the Company is reasonably believed to be a “Qualified Institutional Buyer” within the meaning of Rule 144A under the Securities Act in order to permit compliance by such Holder with Rule 144A under the Securities Act.

Except as indicated in the Indenture, no service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

All terms used in this Security which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

Exhibit 4.3

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE COMPANY THAT NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION THEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED (X) PRIOR TO THE SECOND ANNIVERSARY OF THE ISSUANCE HEREOF OR (Y) AT ANY TIME BY ANY TRANSFEROR THAT WAS AN AFFILIATE OF THE COMPANY DURING THE THREE MONTHS PRECEDING THE DATE OF SUCH OFFER, RESALE, PLEDGE OR OTHER TRANSFER, IN EITHER CASE, OTHER THAN (1) TO THE COMPANY, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (3) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE, TO WHOM NOTICE IS GIVEN THAT THE OFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE WITH A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE), (5) TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES

ACT, OR (6) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 (IF AVAILABLE) UNDER THE SECURITIES ACT, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTON.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY OR A SUCCESSOR DEPOSITARY. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 306 AND 307 OF THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT AND ANY SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REPUBLIC SERVICES, INC.

6.086% NOTE DUE 2035

CUSIP NO. 760759 AE 0

No. 1 $2,576,000

Republic Services, Inc., a Delaware corporation (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co. or registered assigns, the principal sum of Two Million Five Hundred Seventy-Six Thousand ($2,576,000) United States dollars on March 15, 2035, at the office or agency of the Company referred to below, and to pay interest thereon from March 21, 2005, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on March 15 and September 15 in each year, commencing September 15, 2005 at the rate of 6.086% per annum, in United States dollars, until the principal hereof is paid or duly provided for. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The principal amount of the Securities which may be issued is unlimited. The Company may issue additional senior notes of the same class and series as this Security in one or more tranches from time to time without notice to or the consent of the existing holders of the Securities. These additional senior notes are referred to in this Security as the "Additional Securities" and all references to the Securities in this Security or in the Indenture shall include the Additional Securities. The Additional Securities shall vote as a class with all other Securities as to matters as to which such Securities have a vote.

The Holder of this Initial Security is entitled to the benefits of a Registration Rights Agreement, dated March 21, 2005, among the Company and the Dealer Managers named therein, pursuant to which, subject to the terms and conditions thereof, the Company is obligated to consummate the Exchange Offer pursuant to which the Holder of this Security shall have the right to exchange this Security for 6.086% Notes due 2035 (herein called the "Exchange Securities") in like principal amount as provided therein. In addition, the Company has agreed to register the Securities for resale under the Securities Act through a Shelf Registration Statement under certain circumstances. The Initial Securities and the Exchange Securities are together referred to as the "Securities." The Initial Securities rank *pari passu* in right of payment with the Exchange Securities. The interest rate on the Initial Securities may increase pursuant to the terms set forth in the Registration Rights Agreement.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name

this Security (or any Predecessor Security) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 1 or September 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid, or duly provided for, and interest on such defaulted interest at the interest rate borne by the Initial Securities, to the extent lawful, shall forthwith cease to be payable to the Holder on such Regular Record Date, and may either be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by the Indenture not inconsistent with the requirements of such exchange, all as more fully provided in the Indenture.

Payment of the principal of, premium, if any, and interest on, this Security, and exchange or transfer of this Security, will be made at the office or agency of the Company in The City of New York maintained for such purpose (which initially will be a corporate trust office of the Trustee or its affiliate located at 101 Barclay Street, Floor 8W, New York, NY 10286), or at such other office or agency as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof or by the authenticating agent appointed as provided in the Indenture by manual signature of an authorized signatory, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the manual or facsimile signature of its authorized officers.

REPUBLIC SERVICES, INC.

By: /s/ Edward A. Lang, III
Name: Edward A. Lang, III
Title: Vice President, Finance and Treasurer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 6.086% Notes due 2035 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK, as Trustee

By: /s/ Ming Ryan
Authorized Signatory

Dated: _____

TRANSFER NOTICE

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including zip code of assignee)

Insert Taxpayer Identification No. _____

the within Security and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer such Security on the books of the Company with full power of substitution in the premises.

In connection with any transfer of this Security occurring prior to the date which is the earlier of the date of an effective Registration Statement or two years after the issuance of the relevant Securities, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with this Security, and that:

[Check One]

o (a) this Security is being transferred in compliance with the exemption from registration under the Securities Act of 1933 provided by Rule 144A thereunder.

or

o (b) this Security is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Security and the Indenture.

If none of the foregoing boxes is checked, the Trustee or other Security Registrar shall not be obligated to register this Security in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 307 of, and elsewhere in, the Indenture shall have been satisfied.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: _____

[Signature must be guaranteed by an eligible Guarantor Institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15]

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

_____

NOTICE: To be executed by an authorized signatory

REVERSE SIDE OF SECURITY

REPUBLIC SERVICES, INC.

6.086% Note due 2035

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.086% Senior Notes due 2035 (herein called the "Securities"), limited (except as otherwise provided in the Indenture referred to below) in aggregate principal amount to $2,576,000, issued under and subject to the terms of an indenture (herein called the "Indenture") dated as of August 15, 2001, among the Company and The Bank of New York, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as supplemented by a Second Supplemental Indenture, dated as of March 21, 2005, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities may be redeemed at any time, at the option of the Company, in whole or in part, at any time and from time to time, upon not less than 30 and not more than 60 days' notice to the Holders thereof as provided in the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Securities to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points, plus, in each case, accrued interest to the Redemption Date (subject to the right of holders of record of such Securities on relevant record dates to receive interest due on an interest payment date), if any.

If less than all of the Securities are to be redeemed, the Trustee shall select, not more than 60 nor less than 30 days before the Redemption Date, the Securities or portions thereof to be redeemed on a pro rata basis, by lot or by any other method the Trustee shall deem fair and appropriate.

In the case of any redemption or repurchase of Securities in accordance with the Indenture, interest installments whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities of record as of the close of business on the relevant Regular Record Date or Special Record Date referred to on the face hereof. Securities (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date.

In the event of redemption or repurchase of this Security in accordance with the Indenture in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal amount of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire Indebtedness on the Securities and (b) certain covenants and Defaults and Events of Default, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions (including certain amendments permitted without the consent of any Holders and certain amendments which require the consent of all the Holders) as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders under the Indenture and the Securities at any time by the Company and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in aggregate principal amount of the Securities (100% of the Holders in certain circumstances) at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and the Securities of such series and certain past Defaults and Events of Default under the Indenture and the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, or any other obligor on the Securities (in the event such other obligor is obligated to make payments in respect of the Securities), which is absolute and unconditional, to pay the principal of, premium, if any, and interest on, this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or its attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Certificated securities may not be transferred to beneficial holders in exchange for their beneficial interests in the Rule 144A Global Securities, the Regulation S Global Securities or the IAI Global Securities unless (i) the Depositary (A) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) has ceased to be a clearing agency registered as such under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Securities in certificated form or (iii) there shall have occurred and be continuing an Event of Default or any event which after notice or lapse of time or both would be an Event of Default with respect to such Global Security. Upon any such issuance, the Trustee is required to register such certificated Initial Securities in the name of, and cause the same to be delivered to, such Person or Persons (or the nominee of any thereof). All such certificated Initial Securities would be required to include the Private Placement Legend unless the Legend is not required by applicable law.

Initial Securities in certificated form are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Initial Securities are exchangeable for a like aggregate principal amount of Securities of a differing authorized denomination, as requested by the Holder surrendering the same.

At any time when the Company is not subject to Sections 13 or 15(d) of the Exchange Act, upon the written request of a Holder of an Initial Security, the Company will promptly furnish or cause to be furnished such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto) to such Holder or to a prospective purchaser of such Initial Security who such Holder informs the Company is reasonably believed to be a “Qualified Institutional Buyer” within the meaning of Rule 144A under the Securities Act in order to permit compliance by such Holder with Rule 144A under the Securities Act.

Except as indicated in the Indenture, no service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

All terms used in this Security which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

Exhibit 4.4

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE COMPANY THAT NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION THEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED (X) PRIOR TO THE SECOND ANNIVERSARY OF THE ISSUANCE HEREOF OR (Y) AT ANY TIME BY ANY TRANSFEROR THAT WAS AN AFFILIATE OF THE COMPANY DURING THE THREE MONTHS PRECEDING THE DATE OF SUCH OFFER, RESALE, PLEDGE OR OTHER TRANSFER, IN EITHER CASE, OTHER THAN (1) TO THE COMPANY, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (3) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE, TO WHOM NOTICE IS GIVEN THAT THE OFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) THAT, PRIOR TO SUCH TRANSFER, FURNISHES THE TRUSTEE WITH A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE TRANSFER OF THIS NOTE (THE FORM OF WHICH CAN BE OBTAINED FROM THE TRUSTEE), (5) TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES

ACT, OR (6) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 (IF AVAILABLE) UNDER THE SECURITIES ACT, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTON.

THIS SECURITY IS A REGULATION S GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE REFERRED TO HEREIN. INTERESTS IN THIS REGULATION S GLOBAL SECURITY MAY NOT BE OFFERED OR SOLD TO A U.S. PERSON OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD (AS DEFINED IN THIS INDENTURE), AND NO TRANSFER OR EXCHANGE OF AN INTEREST IN THIS REGULATION S GLOBAL SECURITY MAY BE MADE FOR AN INTEREST IN A RULE 144A GLOBAL SECURITY UNTIL AFTER THE TERMINATION OF THE RESTRICTED PERIOD OR AS OTHERWISE PERMITTED BY LAW AND CONTEMPLATED BY THIS INDENTURE.

REPUBLIC SERVICES, INC.

6.086% NOTE DUE 2035

CUSIP NO. U76069 AA 8

No. 1 $2,750,000

Republic Services, Inc., a Delaware corporation (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co. or registered assigns, the principal sum of Two Million Seven Hundred Fifty Thousand ($2,750,000) United States dollars on March 15, 2035, at the office or agency of the Company referred to below, and to pay interest thereon from March 21, 2005, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually on March 15 and September 15 in each year, commencing September 15, 2005 at the rate of 6.086% per annum, in United States dollars, until the principal hereof is paid or duly provided for. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The principal amount of the Securities which may be issued is unlimited. The Company may issue additional senior notes of the same class and series as this Security in one or more tranches from time to time without notice to or the consent of the existing holders of the Securities. These additional senior notes are referred to in this Security as the "Additional Securities" and all references to the Securities in this Security or in the Indenture shall include the Additional Securities. The Additional Securities shall vote as a class with all other Securities as to matters as to which such Securities have a vote.

The Holder of this Initial Security is entitled to the benefits of a Registration Rights Agreement, dated March 21, 2005, among the Company and the Dealer Managers named therein, pursuant to which, subject to the terms and conditions thereof, the Company is obligated to consummate the Exchange Offer pursuant to which the Holder of this Security shall have the right to exchange this Security for 6.086% Notes due 2035 (herein called the "Exchange Securities") in like principal amount as provided therein. In addition, the Company has agreed to register the Securities for resale under the Securities Act through a Shelf Registration Statement under certain circumstances. The Initial Securities and the Exchange Securities are together referred to as the "Securities." The Initial Securities rank *pari passu* in right of payment with the Exchange Securities. The interest rate on the Initial Securities may increase pursuant to the terms set forth in the Registration Rights Agreement.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name

this Security (or any Predecessor Security) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 1 or September 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid, or duly provided for, and interest on such defaulted interest at the interest rate borne by the Initial Securities, to the extent lawful, shall forthwith cease to be payable to the Holder on such Regular Record Date, and may either be paid to the Person in whose name this Security (or any Predecessor Security) is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by the Indenture not inconsistent with the requirements of such exchange, all as more fully provided in the Indenture.

Payment of the principal of, premium, if any, and interest on, this Security, and exchange or transfer of this Security, will be made at the office or agency of the Company in The City of New York maintained for such purpose (which initially will be a corporate trust office of the Trustee or its affiliate located at 101 Barclay Street, Floor 8W, New York, NY 10286), or at such other office or agency as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that payment of interest may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear on the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof or by the authenticating agent appointed as provided in the Indenture by manual signature of an authorized signatory, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the manual or facsimile signature of its authorized officers.

REPUBLIC SERVICES, INC.

By: /s/ Edward A. Lang, III
Name: Edward A. Lang, III
Title: Vice President, Finance and Treasurer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 6.086% Notes due 2035 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK, as Trustee

By: /s/ Ming Ryan
Authorized Signatory

Dated: _____

[FORM OF TRANSFER NOTICE]

FOR VALUE RECEIVED the undersigned registered holder hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including zip code of assignee)

Insert Taxpayer Identification No. _____

the within Security and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer such Security on the books of the Company with full power of substitution in the premises.

In connection with any transfer of this Security occurring prior to the date which is the earlier of the date of an effective Registration Statement or two years after the issuance of the relevant Securities, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with this Security, and that:

[Check One]

o (a) this Security is being transferred in compliance with the exemption from registration under the Securities Act of 1933 provided by Rule 144A thereunder.

or

o (b) this Security is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Security and the Indenture.

If none of the foregoing boxes is checked, the Trustee or other Security Registrar shall not be obligated to register this Security in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 307 of, and elsewhere in, the Indenture shall have been satisfied.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: _____

[Signature must be guaranteed by an eligible Guarantor Institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15]

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Dated: _____

_____

NOTICE: To be executed by an authorized signatory

REVERSE SIDE OF SECURITY

REPUBLIC SERVICES, INC.

6.086% Note due 2035

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.086% Notes due 2035 (herein called the "Securities"), limited (except as otherwise provided in the Indenture referred to below) in aggregate principal amount to $2,750,000, issued under and subject to the terms of an indenture (herein called the "Indenture") dated as of August 15, 2001, among the Company and The Bank of New York, as trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), as supplemented by a Second Supplemental Indenture, dated as of March 21, 2005, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities may be redeemed at any time, at the option of the Company, in whole or in part, at any time and from time to time, upon not less than 30 and not more than 60 days' notice to the Holders thereof as provided in the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount of the Securities to be redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate, plus 25 basis points, plus, in each case, accrued interest to the Redemption Date (subject to the right of holders of record of such Securities on relevant record dates to receive interest due on an interest payment date), if any.

If less than all of the Securities are to be redeemed, the Trustee shall select, not more than 60 nor less than 30 days before the Redemption Date, the Securities or portions thereof to be redeemed on a pro rata basis, by lot or by any other method the Trustee shall deem fair and appropriate.

In the case of any redemption or repurchase of Securities in accordance with the Indenture, interest installments whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities of record as of the close of business on the relevant Regular Record Date or Special Record Date referred to on the face hereof. Securities (or portions thereof) for whose redemption and payment provision is made in accordance with the Indenture shall cease to bear interest from and after the Redemption Date.

In the event of redemption or repurchase of this Security in accordance with the Indenture in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal amount of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of (a) the entire Indebtedness on the Securities and (b) certain covenants and Defaults and Events of Default, in each case upon compliance with certain conditions set forth therein.

The Indenture permits, with certain exceptions (including certain amendments permitted without the consent of any Holders and certain amendments which require the consent of all the Holders) as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders under the Indenture and the Securities at any time by the Company and the Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of at least a majority in aggregate principal amount of the Securities (100% of the Holders in certain circumstances) at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and the Securities of such series and certain past Defaults and Events of Default under the Indenture and the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, or any other obligor on the Securities (in the event such other obligor is obligated to make payments in respect of the Securities), which is absolute and unconditional, to pay the principal of, premium, if any, and interest on, this Security at the times, place, and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or its attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Certificated securities may not be transferred to beneficial holders in exchange for their beneficial interests in the Rule 144A Global Securities, the Regulation S Global Securities or the IAI Global Securities unless (i) the Depositary (A) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) has ceased to be a clearing agency registered as such under the Exchange Act, and in either case the Company fails to appoint a successor Depositary within 90 days, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Securities in certificated form or (iii) there shall have occurred and be continuing an Event of Default or any event which after notice or lapse of time or both would be an Event of Default with respect to such Global Security. Upon any such issuance, the Trustee is required to register such certificated Initial Securities in the name of, and cause the same to be delivered to, such Person or Persons (or the nominee of any thereof). All such certificated Initial Securities would be required to include the Private Placement Legend unless the Legend is not required by applicable law.

Initial Securities in certificated form are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Initial Securities are exchangeable for a like aggregate principal amount of Securities of a differing authorized denomination, as requested by the Holder surrendering the same.

At any time when the Company is not subject to Sections 13 or 15(d) of the Exchange Act, upon the written request of a Holder of an Initial Security, the Company will promptly furnish or cause to be furnished such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto) to such Holder or to a prospective purchaser of such Initial Security who such Holder informs the Company is reasonably believed to be a “Qualified Institutional Buyer” within the meaning of Rule 144A under the Securities Act in order to permit compliance by such Holder with Rule 144A under the Securities Act.

Except as indicated in the Indenture, no service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security is overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

All terms used in this Security which are defined in the Indenture and not otherwise defined herein shall have the meanings assigned to them in the Indenture.

EXHIBIT 31.1

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, James E. O'Connor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Republic Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ James E. O'Connor

James E. O'Connor
Chairman and Chief Executive Officer

EXHIBIT 31.2

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Tod C. Holmes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Republic Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ Tod C. Holmes

Tod C. Holmes
Senior Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Republic Services, Inc. (the "Company") for the period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James E. O'Connor, Chairman and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James E. O'Connor

James E. O'Connor
Chairman and Chief Executive Officer

May 6, 2005

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Republic Services, Inc. (the "Company") for the period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Tod C. Holmes, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Tod C. Holmes

Tod C. Holmes
Senior Vice President and Chief Financial Officer

May 6, 2005