
**UNITED STATES
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, 2010

OR

OR 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

(State or other jurisdiction of incorporation or organization)

65-0716904

(IRS Employer Identification No.)

**18500 NORTH ALLIED WAY
PHOENIX, ARIZONA**

(Address of principal executive offices)

85054

(Zip code)

Registrant's telephone number, including area code: **(480) 627-2700**

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

On April 23, 2010, the registrant had outstanding 381,832,028 shares of Common Stock, par value \$.01 per share (excluding treasury shares of 14,935,207).

REPUBLIC SERVICES, INC.

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS.****REPUBLIC SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)**

	March 31, 2010 (Unaudited)	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 81.4	\$ 48.0
Accounts receivable, net of allowance for doubtful accounts of \$52.7 and \$55.2, respectively	850.7	865.1
Prepaid expenses and other current assets	135.7	156.5
Deferred tax assets	198.2	195.3
Total current assets	1,266.0	1,264.9
Restricted cash and marketable securities	221.8	240.5
Property and equipment, net	6,599.4	6,657.7
Goodwill, net	10,665.4	10,667.1
Other intangible assets, net	483.2	500.0
Other assets	229.5	210.1
Total assets	<u>\$ 19,465.3</u>	<u>\$ 19,540.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 412.2	\$ 592.8
Notes payable and current maturities of long-term debt	475.7	543.0
Deferred revenue	329.9	331.1
Accrued landfill and environmental costs, current portion	241.0	245.4
Accrued interest	84.2	96.2
Other accrued liabilities	711.9	740.2
Total current liabilities	2,254.9	2,548.7
Long-term debt, net of current maturities	6,638.3	6,419.6
Accrued landfill and environmental costs, net of current portion	1,399.2	1,383.2
Deferred income taxes and other long-term tax liabilities	989.3	1,040.5
Self-insurance reserves, net of current portion	300.3	302.0
Other long-term liabilities	314.6	279.2
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value \$0.01 per share; 50.0 shares authorized; none issued	—	—
Common stock, par value \$0.01 per share; 750.0 shares authorized; 396.3 and 395.7 issued including shares held in treasury, respectively	4.0	4.0
Additional paid-in capital	6,332.6	6,316.1
Retained earnings	1,675.5	1,683.1
Treasury stock, at cost (14.9 shares)	(457.7)	(457.7)
Accumulated other comprehensive income, net of tax	12.2	19.0
Total Republic Services, Inc. stockholders' equity	7,566.6	7,564.5
Noncontrolling interests	2.1	2.6
Total stockholders' equity	7,568.7	7,567.1
Total liabilities and stockholders' equity	<u>\$ 19,465.3</u>	<u>\$ 19,540.3</u>

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share data)

	<u>Three Months Ended March 31,</u>	
	<u>2010</u>	<u>2009</u>
Revenue	\$ 1,957.7	\$ 2,060.5
Expenses:		
Cost of operations	1,136.8	1,208.7
Depreciation, amortization and depletion	203.0	221.8
Accretion	20.2	23.3
Selling, general and administrative	210.3	217.5
Loss on disposition of assets and impairments, net	0.5	4.9
Restructuring charges	5.6	31.3
Operating income	<u>381.3</u>	<u>353.0</u>
Interest expense	(134.5)	(153.5)
Loss on extinguishment of debt	(132.3)	—
Interest income	—	0.7
Other income, net	<u>1.7</u>	<u>0.2</u>
Income before income taxes	116.2	200.4
Provision for income taxes	<u>51.0</u>	<u>87.0</u>
Net income	65.2	113.4
Less: net income attributable to noncontrolling interests	<u>(0.2)</u>	<u>(0.4)</u>
Net income attributable to Republic Services, Inc.	<u>\$ 65.0</u>	<u>\$ 113.0</u>
Basic earnings per share attributable to Republic Services, Inc. stockholders:		
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.30</u>
Weighted average common shares outstanding	<u>381.4</u>	<u>378.9</u>
Diluted earnings per share attributable to Republic Services, Inc. stockholders:		
Diluted earnings per share	<u>\$ 0.17</u>	<u>\$ 0.30</u>
Weighted average common and common equivalent shares outstanding	<u>383.3</u>	<u>379.9</u>
Cash dividends per common share	<u>\$ 0.19</u>	<u>\$ 0.19</u>

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.
UNAUDITED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in millions)

	Republic Services, Inc Stockholders' Equity							
	Total	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss), Net of Tax	Noncontrolling Interests
		Shares, Net	Par Value					
Balance as of December 31, 2009	\$ 7,567.1	380.8	\$ 4.0	\$ 6,316.1	\$ 1,683.1	\$ (457.7)	\$ 19.0	\$ 2.6
Net income	65.2	—	—	—	65.0	—	—	0.2
Other comprehensive income (loss)	(6.8)	—	—	—	—	—	(6.8)	—
Cash dividends declared	(72.5)	—	—	—	(72.5)	—	—	—
Issuances of common stock	10.2	0.6	—	10.2	—	—	—	—
Stock-based compensation	6.2	—	—	6.3	(0.1)	—	—	—
Distributions paid to noncontrolling interests	(0.7)	—	—	—	—	—	—	(0.7)
Balance as of March 31, 2010	<u>\$ 7,568.7</u>	<u>381.4</u>	<u>\$ 4.0</u>	<u>\$ 6,332.6</u>	<u>\$ 1,675.5</u>	<u>\$ (457.7)</u>	<u>\$ 12.2</u>	<u>\$ 2.1</u>

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Three Months Ended March 31,	
	2010	2009
Cash Provided by Operating Activities:		
Net income	\$ 65.2	\$ 113.4
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization of property and equipment	129.0	132.6
Landfill depletion and amortization	56.4	71.8
Amortization of intangible and other assets	17.6	17.4
Accretion	20.2	23.3
Non-cash interest expense — debt	16.2	25.7
Non-cash interest expense — other	12.2	12.7
Restructuring related charges	0.7	18.8
Stock-based compensation	6.2	4.7
Deferred tax (benefit) provision	(50.8)	31.8
Provision for doubtful accounts, net of adjustments	2.5	5.8
Excess income tax benefit from stock option exercises	(0.8)	0.3
Asset impairments	0.1	1.8
Loss on extinguishment of debt	132.3	—
Gain on disposition of assets, net	(4.3)	—
Other non-cash items	0.6	(0.2)
Change in assets and liabilities, net of effects from business acquisitions and divestitures:		
Accounts receivable	11.9	62.6
Prepaid expenses and other assets	13.2	17.7
Accounts payable	(99.2)	33.8
Restructuring and synergy related expenditures	(8.2)	(8.8)
Capping, closure and post-closure expenditures	(10.5)	(13.6)
Remediation expenditures	(11.5)	(13.4)
Other liabilities	0.1	(25.8)
Cash Provided by Operating Activities	299.1	512.4
Cash Used in Investing Activities:		
Purchases of property and equipment	(208.4)	(193.4)
Proceeds from sales of property and equipment	5.9	4.9
Cash used in acquisitions, net of cash acquired	(0.8)	(0.1)
Cash proceeds from divestitures, net of cash divested	—	0.3
Change in restricted cash and marketable securities	18.6	19.2
Other	0.6	—
Cash Used in Investing Activities	(184.1)	(169.1)
Cash Used in Financing Activities:		
Proceeds from notes payable and long-term debt	731.5	230.9
Proceeds from issuance of senior notes, net of discount	1,499.4	—
Payments of notes payable and long-term debt	(2,198.4)	(381.1)
Premiums paid on extinguishment of debt	(30.4)	—
Fees paid to issue and retire senior notes and certain hedging relationships	(20.8)	—
Issuances of common stock	9.4	3.7
Excess income tax benefit from stock option exercises	0.8	0.3
Purchases of common stock for treasury	—	(0.3)
Cash dividends paid	(72.4)	(72.0)
Distributions paid to noncontrolling interests	(0.7)	—
Cash Used in Financing Activities	(81.6)	(218.5)
Increase in Cash and Cash Equivalents	33.4	124.8
Cash and Cash Equivalents at Beginning of Period	48.0	68.7
Cash and Cash Equivalents at End of Period	<u>\$ 81.4</u>	<u>\$ 193.5</u>

The accompanying notes are an integral part of these statements.

REPUBLIC SERVICES INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Republic Services, Inc. (a Delaware corporation) and its subsidiaries (also referred to collectively as Republic, we, us, our, or the company in this report) is the second largest provider of non-hazardous solid waste collection, transfer, recycling and disposal services in the United States, as measured by revenue. We manage and evaluate our operations through four geographic regions — Eastern, Midwestern, Southern, and Western, which we have identified as our reportable segments.

The accompanying unaudited consolidated financial statements include the accounts of Republic, its wholly owned and majority owned subsidiaries, and certain variable interest entities for which we have determined that consolidation is required under U.S. generally accepted accounting principles (U.S. GAAP). Our investments in variable interest entities are not material to our consolidated financial statements. We account for investments in entities in which we do not have a controlling financial interest under either the equity method or the cost method of accounting, as appropriate.

These unaudited consolidated financial statements have been prepared by us 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 our organization, significant accounting policies and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. In the opinion of management, these financial statements include all adjustments, which, unless otherwise disclosed, are of a normal recurring nature, necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented. 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 our audited consolidated financial statements and notes thereto appearing in our Annual Report on Form 10-K for the year ended December 31, 2009.

For comparative purposes, certain prior year amounts have been reclassified to conform to the current year presentation. All amounts are in millions, except per share amounts and unless otherwise noted.

Management's Estimates and Assumptions

These unaudited consolidated financial statements have been prepared in accordance with U.S. GAAP and include numerous estimates and assumptions made by management that affect the accounting for and recognition and disclosure of assets, liabilities, stockholders' equity, revenue and expenses. We must make these estimates and assumptions because certain information that we use is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. In some cases, these estimates are particularly difficult to determine and we must exercise significant judgment. The most difficult, subjective and complex estimates and assumptions that deal with the greatest amount of uncertainty relate to our accounting for our long-lived assets, landfill development costs, goodwill, and final capping, closure and post-closure costs, our valuation allowances for accounts receivable and deferred tax assets, our liabilities for potential litigation, claims and assessments, our liabilities for environmental remediation, employee benefit plans, stock-based compensation, deferred taxes, uncertain tax positions and self-insurance, and our estimates of the fair values of the assets and liabilities acquired in our acquisition of Allied. Each of these items is discussed in more detail in our description of our significant accounting policies, in Note 2, *Summary of Significant Accounting Policies*, of the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2009. Our actual results may differ significantly from our estimates.

New Accounting Pronouncements

Consolidation of Variable Interest Entities

In June 2009, the FASB issued an amendment to the accounting and disclosure requirements for the consolidation of variable interest entities (VIEs) and requires an enterprise to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in a VIE. Under this new guidance, an enterprise has a controlling financial interest when it has (i) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (ii) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. An enterprise is required to assess whether it has an implicit financial responsibility to ensure that a VIE operates as designed when determining whether it has power to direct the activities of the VIE that most significantly impact the entity's economic performance. It also requires ongoing assessments of whether an enterprise is the primary beneficiary of a VIE, requires enhanced disclosures and eliminates the scope exclusion for qualifying special-purpose entities. We adopted this new guidance on January 1, 2010. The impact of adopting this guidance did not have a material effect on our consolidated financial position or results of operations.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

2. RESTRUCTURING CHARGES

As a result of our 2008 acquisition of Allied Waste Industries, Inc. (Allied), we committed to a restructuring plan related to our corporate overhead and other administrative and operating functions. The plan included closing our corporate office in Florida, consolidating administrative functions to Arizona, the former headquarters of Allied, and reducing staffing levels. The plan also included closing and consolidating certain operating locations and terminating certain leases. During the three months ended March 31, 2010 and 2009, we incurred \$5.6 million and \$31.3 million, respectively, of restructuring and integration charges related to our integration of Allied, of which \$0.7 million and \$18.8 million, respectively, for the three months ended March 31, 2010 and 2009 consist of charges for severance and other employee termination and relocation benefits. The remainder of the charges in each of the three month periods primarily related to consulting and professional fees. Substantially all the charges are recorded in our corporate segment. We expect to incur additional charges approximating \$8 million to complete our plan. We expect that the majority of these charges will be paid during the remainder of 2010 and extend into 2011.

The following table reflects the activity during the three months ended March 31, 2010 and 2009 associated with the liabilities (included in other accrued liabilities) incurred in connection with the restructuring charges:

	Balance at December 31, 2009	Additions	Payments	Balance at March 31, 2010
Severance and other termination benefits	\$ 19.6	\$ 0.7	\$ (6.9)	\$ 13.4
Relocation	5.2	—	(0.8)	4.4
Total	\$ 24.8	\$ 0.7	\$ (7.7)	\$ 17.8

	Balance at December 31, 2008	Additions	Payments	Balance at March 31, 2009
Severance and other termination benefits	\$ 12.5	\$ 17.8	\$ (2.3)	\$ 28.0
Relocation	17.9	1.0	(3.9)	15.0
Total	\$ 30.4	\$ 18.8	\$ (6.2)	\$ 43.0

Accrued Liabilities Related to Allied

The following table reflects the activity during the three months ended March 31, 2010 and 2009 associated with the liabilities (included in other accrued liabilities) incurred in connection with the termination benefits for employees who were employed by Allied at the date of the acquisition and notified that their employment was terminated:

	Balance at December 31, 2009	Additions	Payments	Balance at March 31, 2010
Severance and other termination benefits	\$ 2.4	\$ —	\$ (0.5)	\$ 1.9

	Balance at December 31, 2008	Additions	Payments	Balance at March 31, 2009
Severance and other termination benefits	\$ 22.6	\$ 5.5	\$ (2.6)	\$ 25.5

We evaluated our operating contracts and leases acquired from Allied and recorded liabilities for unfavorable contract and lease exit costs of \$55.9 million and \$7.7 million, respectively. The underlying lease agreements and contracts have remaining non-cancellable terms ranging from 1 to 21 years. The following table reflects activity during the three months ended March 31, 2010 and 2009 associated with unfavorable contracts and lease exit liabilities:

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

	Balance at December 31, 2009	Additions	Payments / Amortization	Balance at March 31, 2010
Unfavorable contracts	\$ 49.0	\$ —	\$ (2.5)	\$ 46.5
Lease exit costs	6.4	—	(0.5)	5.9
Total	\$ 55.4	\$ —	\$ (3.0)	\$ 52.4

	Balance at December 31, 2008	Additions	Payments / Amortization	Balance at March 31, 2009
Unfavorable contracts	\$ 33.3	\$ 11.7	\$ (0.8)	\$ 44.2
Lease exit costs	—	5.9	(0.7)	5.2
Total	\$ 33.3	\$ 17.6	\$ (1.5)	\$ 49.4

3. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

Goodwill

A summary of the activity and balances in goodwill accounts, net, by operating segment is as follows:

	Balance at December 31, 2009	Adjustments to Acquisitions	Adjustments to Assets Held for Sale	Balance at March 31, 2010
Eastern	\$ 2,818.5	\$ (0.4)	\$ —	\$ 2,818.1
Midwestern	2,118.2	(0.3)	—	2,117.9
Southern	2,724.7	(0.5)	—	2,724.2
Western	3,005.7	(0.5)	—	3,005.2
Total	\$ 10,667.1	\$ (1.7)	\$ —	\$ 10,665.4

	Balance at December 31, 2008	Adjustments to Acquisitions	Adjustments to Assets Held for Sale	Balance at March 31, 2009
Eastern	\$ 2,772.5	\$ (11.1)	\$ (15.4)	\$ 2,746.0
Midwestern	2,083.8	(7.2)	(1.0)	2,075.6
Southern	2,715.6	(10.3)	(49.8)	2,655.5
Western	2,949.6	(8.4)	—	2,941.2
Total	\$ 10,521.5	\$ (37.0)	\$ (66.2)	\$ 10,418.3

Other Intangible Assets

Other intangible assets, net, include values assigned to customer relationships, franchise agreements, other municipal agreements, non-compete agreements and trade names, and are amortized over periods ranging from 2 to 23 years. A summary of the activity and balances by intangible asset type is as follows:

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

	Gross Intangible Assets			Accumulated Amortization			Net Intangibles at March 31, 2010
	Balance at December 31, 2009	Acquisitions	Balance at March 31, 2010	Balance at December 31, 2009	Additions Charged to Expense	Balance at March 31, 2010	
Customer relationships, franchise and other municipal agreements	\$ 521.1	\$ 0.5	\$ 521.6	\$ (70.5)	\$ (14.9)	\$ (85.4)	\$ 436.2
Trade names	30.0	—	30.0	(6.5)	(1.5)	(8.0)	22.0
Non-compete agreements	7.4	0.1	7.5	(6.5)	(0.1)	(6.6)	0.9
Other intangible assets	62.9	—	62.9	(37.9)	(0.9)	(38.8)	24.1
Total	\$ 621.4	\$ 0.6	\$ 622.0	\$ (121.4)	\$ (17.4)	\$ (138.8)	\$ 483.2

	Gross Intangible Assets			Accumulated Amortization			Net Intangibles at March 31, 2009
	Balance at December 31, 2008	Acquisitions	Balance at March 31, 2009	Balance at December 31, 2008	Additions Charged to Expense	Balance at March 31, 2009	
Customer relationships, franchise and other municipal agreements	\$ 520.8	\$ 0.2	\$ 521.0	\$ (10.9)	\$ (14.8)	\$ (25.7)	\$ 495.3
Trade names	30.0	—	30.0	(0.5)	(1.5)	(2.0)	28.0
Non-compete agreements	7.4	—	7.4	(5.6)	(0.2)	(5.8)	1.6
Other intangible assets	57.2	—	57.2	(34.3)	(0.6)	(34.9)	22.3
Total	\$ 615.4	\$ 0.2	\$ 615.6	\$ (51.3)	\$ (17.1)	\$ (68.4)	\$ 547.2

4. OTHER ASSETS

Prepaid Expenses and Other Current Assets

A summary of prepaid expenses and other current assets as of March 31, 2010 and December 31, 2009 is as follows:

	March 31, 2010	December 31, 2009
Inventories	\$ 32.8	\$ 33.7
Prepaid expenses	56.0	59.3
Other non-trade receivables	35.1	57.1
Other current assets	11.8	6.4
Total	\$ 135.7	\$ 156.5

Other current assets include the fair value of fuel and commodity hedges of \$2.9 million and \$5.0 million at March 31, 2010 and December 31, 2009, respectively.

Other Assets

A summary of other assets as of March 31, 2010 and December 31, 2009 is as follows:

	March 31, 2010	December 31, 2009
Deferred financing costs	\$ 44.4	\$ 32.4
Deferred compensation plan	17.6	15.2
Notes and other receivables	45.8	45.1
Other	121.7	117.4
Total	\$ 229.5	\$ 210.1

Notes and other receivables include the fair value of interest rate swaps of \$9.8 million and \$9.9 million at March 31, 2010 and December 31, 2009, respectively.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

5. OTHER LIABILITIES**Other Accrued Liabilities**

A summary of other accrued liabilities as of March 31, 2010 and December 31, 2009 is as follows:

	March 31, 2010	December 31, 2009
Accrued payroll and benefits	\$ 133.5	\$ 169.6
Accrued fees and taxes	115.4	114.4
Self-insurance reserves, current portion	113.5	110.9
Accrued dividends	72.5	72.4
Current tax liabilities	107.8	70.0
Restructuring liabilities	17.8	24.8
Accrued professional fees and legal settlement reserves	43.2	59.0
Other	108.2	119.1
Total	\$ 711.9	\$ 740.2

Other accrued liabilities includes the fair value of fuel and commodity hedges of \$9.4 million and \$5.7 million at March 31, 2010 and December 31, 2009, respectively.

Other Long-Term Liabilities

A summary of other long-term liabilities as of March 31, 2010 and December 31, 2009 is as follows:

	March 31, 2010	December 31, 2009
Deferred compensation liability	\$ 24.4	\$ 15.7
Pension and other postretirement liabilities	37.4	38.1
Legal settlement revenues and other matters	131.5	112.0
Other	121.3	113.4
Total	\$ 314.6	\$ 279.2

6. LANDFILL AND ENVIRONMENTAL COSTS

As of March 31, 2010, we owned or operated 190 active solid waste landfills with total available disposal capacity of approximately 4.7 billion in-place cubic yards. Additionally, we currently have post-closure responsibility for 134 closed landfills.

Accrued Landfill and Environmental Costs

A summary of landfill and environmental liabilities as of March 31, 2010 and December 31, 2009 is as follows:

	March 31, 2010	December 31, 2009
Landfill final capping, closure and post-closure liabilities	\$ 1,086.5	\$ 1,074.5
Remediation	553.7	554.1
	1,640.2	1,628.6
Less: Current portion	(241.0)	(245.4)
Long-term portion	\$ 1,399.2	\$ 1,383.2

Final Capping, Closure and Post-Closure Costs

The following table summarizes the activity in our asset retirement obligation liabilities, which include liabilities for final capping, closure and post-closure, for the three months ended March 31, 2010 and 2009:

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	Three Months Ended March 31,	
	2010	2009
Asset retirement obligation liabilities, beginning of year	\$ 1,074.5	\$ 1,040.6
Non-cash asset additions	7.2	8.7
Additions due to acquisitions and other adjustments	0.5	(0.7)
Asset retirement obligation adjustments	(5.4)	(0.7)
Payments	(10.5)	(13.6)
Accretion expense	20.2	23.3
Adjustments to liabilities related to assets held for sale	—	1.8
Asset retirement obligation liabilities, end of period	1,086.5	1,059.4
Less: Current portion	(135.7)	(117.4)
Long-term portion	<u>\$ 950.8</u>	<u>\$ 942.0</u>

Annually, in the fourth quarter, we review our calculations for asset retirement obligations. However, if there are significant changes in the facts and circumstances related to a site during the year, we will update our assumptions prospectively in the period that all the relevant facts and circumstances are known.

The fair value of assets that are legally restricted for purposes of collateralizing certain of our final capping, closure and post-closure obligations was approximately \$57.9 million at March 31, 2010 and \$58.5 million as of December 31, 2009, and is included in restricted cash and marketable securities in our consolidated balance sheets.

Environmental Remediation Liabilities

We accrue for remediation costs when they become probable and can be reasonably estimated. We believe that the amounts accrued for remediation costs are adequate. There can sometimes be a range of reasonable estimates of the costs associated with remediation of a site. In these cases, we use the amount within the range that constitutes our best estimate. If no amount within the range appears to be a better estimate than any other, we use the amount that is at the low end of such range. It is reasonably possible that we will need to adjust the liabilities recorded for remediation to reflect the effects of new or additional information, to the extent such information impacts the costs, timing or duration of the required actions. If we used the reasonably possible high ends of our ranges, our aggregate potential remediation liability at March 31, 2010 would be approximately \$187 million higher than the amounts recorded. Future changes in our estimates of the cost, timing or duration of the required actions could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

The following table summarizes the activity in our environmental remediation liabilities for the three months ended March 31, 2010 and 2009:

	Three Months Ended March 31,	
	2010	2009
Remediation liabilities, beginning of year	\$ 554.1	\$ 389.9
Additions due to acquisitions and other adjustments	1.5	0.1
Additions charged to expense	2.3	—
Payments	(11.5)	(13.4)
Accretion expense	7.3	5.0
Remediation liabilities, end of period	553.7	381.6
Less: Current portion	(105.3)	(78.7)
Long-term portion	<u>\$ 448.4</u>	<u>\$ 302.9</u>

The following is a discussion of certain of our significant remediation matters:

Countywide Landfill. In 2007, we were issued Final Findings and Orders (F&Os) by the Ohio Environmental Protection Agency (OEPA) related to environmental conditions at our Countywide Recycling and Disposal Facility (Countywide) in East Sparta, Ohio and we agreed with the OEPA to undertake certain other remedial actions as well. During 2008, Republic Services of Ohio II, LLC (Republic-Ohio), an Ohio limited liability company and wholly owned subsidiary of ours and parent of Countywide, entered into an Agreed Order on Consent (AOC) with the EPA requiring the reimbursement of costs incurred by the EPA and requiring Republic-Ohio to perform certain remediation activities at Countywide. Republic-Ohio also has completed construction of an isolation break under the authority and supervision of the EPA. On September 30, 2009, Republic-Ohio entered into a set of F&Os with the OEPA that supersede previous F&Os mentioned above. The F&Os require the implementation of a comprehensive operation and

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

maintenance program for managing the remediation area. The operation and maintenance program requires Republic-Ohio to maintain the temporary cap and other engineering controls to prevent odors and isolate and contain the reaction. The operation and maintenance program is ultimately designed to result in the final capping and closure of the 88-acre remediation area at Countywide. The remediation liability for Countywide recorded as of March 31, 2010 is \$72.6 million, of which approximately \$4.0 million is expected to be paid during the remainder of 2010. The reasonably possible range of loss for remediation costs is \$65 million to \$86 million.

West Contra Costa County Landfill. In 2006, we were issued an Enforcement Order by the California Department of Toxic Substance Control (DTSC) for the Class 1 Hazardous waste cell at the West Contra Costa County Landfill (West County). Subsequently, we entered into a Consent Agreement with DTSC in 2007 at which time we agreed to undertake certain remedial actions. The remediation liability for West County recorded as of March 31, 2010 is \$46.3 million, of which approximately \$2.0 million is expected to be paid during the remainder of 2010. The reasonably possible range of loss for remediation costs is \$40 million to \$66 million.

Sunrise Landfill. On August 1, 2008, Republic Services of Southern Nevada (RSSN), our wholly owned subsidiary, signed a Consent Decree with the EPA, the Bureau of Land Management and Clark County, Nevada related to the Sunrise Landfill. Under the Consent Decree, RSSN has agreed to perform certain remedial actions at the Sunrise Landfill for which RSSN and Clark County were otherwise jointly and severally liable. We also paid \$1.0 million in sanctions related to the Consent Decree. RSSN is currently working with the Clark County Staff and Board of Commissioners to develop a mechanism to fund the costs to comply with the Consent Decree. However, we have not recorded any potential recoveries. The remediation liability for Sunrise recorded as of March 31, 2010 is \$35.6 million, of which approximately \$11.4 million is expected to be paid during the remainder of 2010. The reasonably possible range of loss for remediation costs is \$32 million to \$47 million.

Congress Development Landfill. In January 2006, Congress Development Co. (CDC) was issued an Agreed Preliminary Injunction and Order by the Circuit Court of Illinois, Cook County. Subsequently, the court issued two additional Supplemental Orders that required CDC to implement certain remedial actions at the Congress Landfill. The remediation liability recorded for CDC as of March 31, 2010 is \$82.3 million, of which approximately \$18.2 million is expected to be paid during the remainder of 2010. The reasonably possible range of loss for remediation costs is \$52 million to \$152 million.

Environmental Operating Costs

In the normal course of business, we incur various operating costs associated with environmental compliance. These costs include, among other things, leachate treatment and disposal, methane gas and groundwater monitoring and systems maintenance, interim cap maintenance, costs associated with the application of daily cover materials, and the legal and administrative costs of ongoing environmental compliance. These costs are expensed as cost of operations in the period in which they are incurred.

7. DEBT

Our notes payable, capital leases and long-term debt at March 31, 2010 and December 31, 2009 are listed in the following table, and are presented net of unamortized discounts, adjustments to fair value related to hedging transactions and the unamortized portion of adjustments to fair value recorded in purchase accounting. The debt acquired as part of our acquisition of Allied was recorded at fair value as of the acquisition date.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

	Debt Balance at	
	March 31, 2010	December 31, 2009
\$1.0 billion Revolver due 2012	\$ —	\$ —
\$1.75 billion Revolver due 2013, Eurodollar and Base Rate borrowings	200.0	315.4
Receivables secured loans	—	300.0
Senior notes, fixed interest rate of 6.500%, due 2010	217.9	216.5
Senior notes, fixed interest rate of 5.750%, due 2011	254.7	252.5
Senior notes, fixed interest rate of 6.375%, due 2011	210.5	209.1
Senior notes, fixed interest rate of 6.750%, due 2011	396.4	396.4
Senior notes, fixed interest rate of 6.125%, due 2014	—	379.3
Senior notes, fixed interest rate of 7.250%, due 2015	—	540.2
Senior notes, fixed interest rate of 7.125%, due 2016	528.9	526.7
Senior notes, fixed interest rate of 6.875%, due 2017	656.8	654.4
Senior notes, fixed interest rate of 5.500%, due 2019	645.6	645.5
Senior notes, fixed interest rate of 5.000%, due 2020	849.9	—
Senior notes, fixed interest rate of 5.250%, due 2021	600.0	600.0
Debentures, fixed interest rate of 9.250%, due 2021	93.2	93.1
Senior notes, fixed interest rate of 6.086%, due 2035	249.5	249.4
Debentures, fixed interest rate of 7.400%, due 2035	267.0	266.8
Senior notes, fixed interest rate of 6.200%, due 2040	649.5	—
Tax-exempt bonds and other tax-exempt financings; fixed and floating interest rates ranging from 0.28% to 8.25%; maturities ranging from 2012 to 2037	1,201.7	1,223.7
Other debt unsecured and secured by real property, equipment and other assets; interest rates ranging from 5.99% to 11.90% maturing through 2042	92.4	93.6
Total debt	7,114.0	6,962.6
Less: Current portion	(475.7)	(543.0)
Long-term portion	<u>\$ 6,638.3</u>	<u>\$ 6,419.6</u>

Revolving Credit Facilities

The \$1.0 billion revolving credit facility due April 2012 and the \$1.75 billion revolving credit facility due September 2013 (collectively, Credit Facilities) bear interest at a Base Rate, or a Eurodollar Rate, plus an applicable margin based on our Debt Ratings (all as defined in the agreements). As of March 31, 2010 and December 31, 2009, the interest rate for our borrowings under our Credit Facilities was 1.76% and 1.82%, respectively. Our Credit Facilities are also subject to facility fees based on applicable rates defined in the agreements and the aggregate commitments, regardless of usage. Borrowings under our Credit Facilities can be used for working capital, capital expenditures, letters of credit and other general corporate purposes. The agreements governing our Credit Facilities require us to maintain certain financial and other covenants. We have the ability to pay dividends and to repurchase common stock provided that we are in compliance with these covenants. We had \$0.2 billion and \$0.3 billion of Eurodollar Rate borrowings, and \$1.6 billion of letters of credit utilizing availability under our Credit Facilities, leaving \$0.9 billion and \$0.8 billion of availability under our Credit Facilities at March 31, 2010 and December 31, 2009, respectively. At March 31, 2010, we were in compliance with the covenants under our Credit Facilities.

Receivables Secured Loans

In March 2010, we repaid all borrowings and terminated our accounts receivable securitization program with two financial institutions that allowed us to borrow up to \$300.0 million on a revolving basis under loan agreements secured by receivables. During the three months ended March 31, 2010, we recorded a loss on extinguishment of debt of \$0.2 million related to unamortized deferred issuance costs associated with terminating this program.

Senior Notes and Debentures

In March 2010, we issued \$850.0 million of 5.00% senior notes due 2020 (the 2020 Notes) and \$650.0 million of 6.20% senior notes due 2040 (the 2040 Notes, and, together with the 2020 Notes, the Notes). The Notes are general senior unsecured obligations and mature on March 1, 2020 (in the case of the 2020 Notes) and March 1, 2040 (in the case of the 2040 Notes). Interest is payable semi-annually on March 1 and September 1, beginning September 1, 2010. The Notes are guaranteed by each of our subsidiaries that also guarantee our Credit Facilities. These guarantees are general senior unsecured obligations of our subsidiary guarantors. In addition, in March 2010, we entered into a Registration Rights Agreement with the representatives of the initial purchasers of the Notes. Under the

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Registration Rights Agreement, we agreed to use our reasonable best efforts to cause to become effective a registration statement to exchange the Notes for freely tradable notes issued by us. If we are unable to effect the exchange offer by November 2010, we agreed to pay additional interest on the Notes.

We used the net proceeds from the Notes as follows: (i) \$433.7 million to redeem the 6.125% senior notes due 2014 at a premium of 102.042% (\$425.0 million principal outstanding); (ii) \$621.8 million to redeem the 7.250% senior notes due 2015 at a premium of 103.625% (\$600.0 million principal outstanding); and (iii) the remainder to reduce amounts outstanding under our Credit Facilities and for general corporate purposes. We incurred a loss of \$132.1 million for premiums paid to repurchase debt, charges for unamortized debt discounts and professional fees paid to effectuate the repurchase of the senior notes.

As of March 31, 2010 and December 31, 2009, our senior notes and debentures totaled \$5,619.9 million and \$5,029.9 million, net of unamortized discounts and adjustments to fair value recorded in purchase accounting for the debt assumed from Allied of \$313.5 million and \$428.5 million, respectively, which is being amortized over the remaining term of the notes, and adjustments to fair value related to our interest rate swap agreements of \$9.8 million and \$9.9 million, respectively.

Tax-Exempt Financings

As of March 31, 2010 and December 31, 2009, we had \$1,201.7 million and \$1,223.7 million, respectively, of fixed and variable rate tax-exempt financings outstanding with maturities ranging from 2012 to 2037. At March 31, 2010 and December 31, 2009, the unamortized adjustment to fair value recorded in purchase accounting for these tax-exempt financings assumed from Allied was \$48.1 million and \$49.0 million, respectively, which is being amortized to interest expense over the remaining terms of the debt.

Approximately two-thirds of our tax-exempt financings are remarketed weekly or daily, by a remarketing agent to effectively maintain a variable yield. These variable rate tax-exempt financings are credit enhanced with letters of credit having terms in excess of one year issued by banks with credit ratings of AA or better. The holders of the bonds can put them back to the remarketing agent at the end of each interest period. To date, the remarketing agents have been able to remarket our variable rate unsecured tax-exempt bonds.

As of March 31, 2010, we had \$221.8 million of restricted cash, of which \$89.0 million represents proceeds from the issuance of tax-exempt bonds and other tax-exempt financings, and will be used to fund capital expenditures under the terms of the agreements. Restricted cash also includes amounts held in trust as a financial guarantee of our performance.

Other Debt

Other debt primarily includes capital lease liabilities of \$91.6 million and \$91.9 million as of March 31, 2010 and December 31, 2009, respectively, with maturities ranging from 2010 to 2042.

Fair Value of Debt

The fair value of our fixed rate senior notes using quoted market rates is \$6.1 billion and \$5.7 billion at March 31, 2010 and December 31, 2009, respectively. The carrying value of our fixed rate senior notes is \$5.6 billion and \$5.0 billion at March 31, 2010 and December 31, 2009, respectively. The carrying amounts of our remaining notes payable and tax-exempt financings approximate fair value because interest rates are variable and, accordingly, approximate current market rates for instruments with similar risk and maturities. The fair value of our debt is determined as of the balance sheet date and is subject to change.

Guarantees

Substantially all of our subsidiaries have guaranteed our obligations under the Credit Facilities.

Substantially all of our subsidiaries guarantee each series of senior notes issued by our parent company, Republic Services, Inc. Our parent company and substantially all of our subsidiaries guarantee each series of senior notes issued by our subsidiary Allied Waste North America, Inc. (AWNA notes) and each series of senior notes issued by our subsidiary Browning-Ferris Industries, LLC (successor to Browning-Ferris Industries, Inc.) (BFI notes). All of these guarantees would be automatically released upon the release of our subsidiaries from their guarantee obligations under the Credit Facilities, except the guarantee of Allied in the case of the AWNA notes, and the guarantees of Allied and Allied Waste North America, Inc. in the case of the BFI notes.

We have guaranteed some of the tax-exempt bonds of our subsidiaries. If a subsidiary fails to meet its obligations associated with tax-exempt bonds as they come due, we 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 our consolidated balance sheets.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Interest Rate Swap Agreements

Our ability to obtain financing through the capital markets is a key component of our financial strategy. Historically, we have 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. We also entered into interest rate swap agreements to manage risk associated with fluctuations in interest rates. The swap agreements have a total notional value of \$210.0 million and mature in August 2011. This maturity is identical to our unsecured notes that also mature in 2011. Under the swap agreements, we pay interest at floating rates based on changes in LIBOR and receive interest at fixed rates of 6.75%. We have designated these agreements as hedges of changes in the fair value of our fixed-rate debt. We have determined that these agreements qualify for the short-cut method and, therefore, changes in the fair value of the agreements are assumed to be perfectly effective in hedging changes in the fair value of our fixed rate debt due to changes in interest rates.

As of March 31, 2010 and December 31, 2009, interest rate swap agreements are reflected at their fair value of \$9.8 million and \$9.9 million, respectively, and are included in other assets and as an adjustment to long-term debt in our consolidated balance sheets. During the three months ended March 31, 2010 and 2009, we recorded net interest income of \$2.2 million and \$2.4 million, respectively, related to our interest rate swap agreements, which is included in interest expense in our consolidated statements of income.

The following table summarizes the impact of changes in the fair value of our derivatives and the underlying hedged items on our results of operations for the three months ended March 31, 2010 and 2009:

Consolidated Statement of Income Classification	Gain (Loss) on Swap		Gain (Loss) on Fixed-Rate Debt	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2010	2009	2010	2009
Interest expense	\$ 2.2	\$ 2.4	\$ (2.2)	\$ (2.4)

From time to time, we enter into treasury and interest rate locks for the purpose of managing exposure to fluctuations in interest rates in anticipation of future debt issuances. During the three months ended March 31, 2010, we entered into interest rate lock agreements having an aggregate notional amount of \$500.0 million to hedge interest rates in connection with the issuance of our \$850.0 million 5.00% senior notes and our \$650.0 million 6.20% senior notes. Upon issuance of the notes, we terminated the interest rate locks and paid approximately \$7.0 million to the counterparties. The effective portion of the interest rate locks recorded as a component of accumulated other comprehensive income was \$2.0 million, net of \$1.5 million of tax (related to the 2020 Notes) and \$1.7 million, net of tax of \$1.2 million (related to the 2040 Notes). The effective portion of the interest rate locks will be amortized as an increase to interest expense over the life of the issued debt, of which \$0.3 million is scheduled to be amortized over the next twelve months as a yield adjustment of the 2020 and 2040 Notes. This transaction was accounted for as a cash flow hedge. As of March 31, 2010, no treasury or interest rate lock cash flow hedges were outstanding.

8. INCOME TAXES

Our effective tax rate for the three months ended March 31, 2010 and 2009 was 44.0% and 43.5%, respectively, and was based on our anticipated full year effective income tax rate. Income taxes paid (net of refunds received) were \$61.4 million and \$70.6 million for the three months ended March 31, 2010 and 2009, respectively.

We and our subsidiaries are subject to income tax in the U.S. and Puerto Rico, as well as income tax in multiple state jurisdictions. We have acquired Allied's open tax periods as part of the acquisition. We are currently under examination or administrative review by various state and federal taxing authorities for certain tax years, including federal income tax audits for calendar years 2000 through 2008.

We recognize interest and penalties as incurred within the provision for income taxes in the consolidated statements of income. As of March 31, 2010 we have accrued a liability for penalties of \$1.5 million and interest (including interest on penalties) of \$96.3 million related to our uncertain tax positions.

We believe that the liabilities for uncertain tax positions recorded are appropriate. However, during the next twelve months we believe it is reasonably possible that the amount of unrecognized tax benefits will likely increase or decrease. We are unable to estimate a range at this time. A significant assessment against us in excess of the liabilities recorded could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

With respect to the settlement of certain tax liabilities regarding BFI risk management companies, we paid \$60.1 million in the first quarter of 2010 and anticipate paying the remainder, approximately \$67 million, later in 2010.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Exchange of Partnership Interests

In April 2002, Allied exchanged minority partnership interests in four waste-to-energy facilities for majority partnership interests in equipment purchasing businesses, which are now wholly owned subsidiaries. In November 2008, the IRS issued a formal disallowance to Allied contending that the exchange was instead a sale on which a corresponding gain should have been recognized. Although we intend to vigorously defend our position on this matter, if the exchange is treated as a sale, we estimate it could have a potential federal and state cash tax impact of approximately \$156 million plus accrued interest through March 31, 2010 of approximately \$63 million. In addition, the IRS has asserted a penalty of 20% of the additional income tax due. At March 31, 2010, the amount of the asserted penalty and penalty-related interest is approximately \$46 million. The potential tax and interest (but not penalty or penalty-related interest) for this matter have been fully reserved in our consolidated balance sheets. The successful assertion by the IRS of penalty and penalty-related interest in connection with this matter could have an adverse impact on our consolidated results of operations and cash flows.

Methane Gas

As part of its examination of Allied's 2000 through 2006 federal income tax returns, the IRS reviewed Allied's treatment of costs associated with its landfill operations. As a result of this review, the IRS has proposed that certain landfill costs be allocated to the collection and control of methane gas that is naturally produced within the landfill. The IRS' position is that the methane gas produced by a landfill is a joint product resulting from operation of the landfill and, therefore, these costs should not be expensed until the methane gas is sold or otherwise disposed.

We are contesting this issue at the Appeals Office of the IRS. We believe we have several meritorious defenses, including the fact that methane gas is not actively produced for sale by us but rather arises naturally in the context of providing disposal services. Therefore, we believe that the resolution of this issue will not have a material adverse impact on our consolidated financial position, results of operations or cash flows.

9. COMPENSATION**Available Shares**

We currently have 3.8 million and 15.3 million shares reserved under our 2007 Stock Incentive Plan and our 2006 Incentive Stock Plan, respectively.

Options

We use a lattice binomial option-pricing model to value our stock option grants. We recognize compensation expense on a straight-line basis over the requisite service period for each separately vesting portion of the award, or to the employee's retirement eligible date, if earlier. Expected volatility is based on the weighted average of the most recent one-year volatility and a historical rolling average volatility of our stock over the expected life of the option. The risk-free interest rate is based on Federal Reserve rates in effect for bonds with maturity dates equal to the expected term of the option. We use historical data to estimate future option exercises, forfeitures and expected life of the options. When appropriate, separate groups of employees that have similar historical exercise behavior are considered separately for valuation purposes. The weighted-average estimated fair values of stock options granted during the three months ended March 31, 2010 and 2009 were \$5.24 and \$2.96 per option, respectively, which were calculated using the following weighted-average assumptions:

	<u>Three Months Ended March 31,</u>	
	<u>2010</u>	<u>2009</u>
Expected volatility	28.6%	28.7%
Risk-free interest rate	2.4%	1.4%
Dividend yield	2.9%	3.2%
Expected life (in years)	4.3	4.2
Contractual life (in years)	7	7
Expected forfeiture rate	3.0%	3.0%

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The following table summarizes the stock option activity for the three months ended March 31, 2010:

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2009	15.1	\$ 23.69		
Granted	2.9	27.29		
Exercised	(0.5)	20.00		\$ 4.6
Cancelled	(0.3)	29.47		
Outstanding at March 31, 2010	<u>17.2</u>	<u>\$ 24.34</u>	<u>5.2</u>	<u>\$ 83.3</u>
Exercisable at March 31, 2010	<u>11.3</u>	<u>\$ 23.78</u>	<u>4.6</u>	<u>\$ 62.1</u>

During the three months ended March 31, 2010 and 2009, compensation expense for stock options was \$2.1 million and \$2.0 million, respectively.

As of March 31, 2010, total unrecognized compensation expense related to outstanding stock options was \$19.5 million, which will be recognized over a weighted average period of 2.3 years.

Other Stock Awards

The following table summarizes the restricted stock unit and restricted stock activity for the three months ended March 31, 2010:

	Number of Restricted Stock Units and Restricted Stock (In Thousands)	Weighted- Average Grant Date Fair Value per Share	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Unissued at December 31, 2009	653.2	\$ 23.85		
Granted	291.7	28.68		
Vested and Issued	(10.1)	18.71		
Cancelled	—	—		
Unissued at March 31, 2010	<u>934.8</u>	<u>\$ 25.41</u>	<u>1.1</u>	<u>\$ 27.1</u>
Vested and unissued at March 31, 2010	<u>240.2</u>	<u>\$ 26.15</u>		

During the three months ended March 31, 2010 and 2009, we awarded 85,193 and 300,000 restricted stock units, respectively, to our non-employee directors under our 2007 Plan, of which 84,095 and 75,000, respectively, of the restricted stock units awarded vested immediately. The remaining restricted stock units awarded during the three months ended March 31, 2009 vest in three equal annual installments beginning on the anniversary date of the original grant. The directors receive the underlying shares only after their board service ends or a change in control occurs. During the three months ended March 31, 2010, we awarded 206,512 restricted stock units to executive and other officers that vest in four equal annual installments beginning on the anniversary date of the original grant. The restricted stock units do not carry any voting or dividend rights, except the right to receive additional restricted stock units in lieu of dividends.

During the three months ended March 31, 2009, we awarded 65,584 shares of restricted stock to executive and other officers, of which 38,670 shares of the restricted stock awarded vest effective January 31, 2012. The remaining 26,914 restricted stock shares vest in four equal annual installments beginning on the anniversary date of the original grant. During the vesting period, the participants have voting rights and receive dividends declared and paid on the restricted stock, but the restricted stock may not be sold, assigned, transferred or otherwise encumbered. Additionally, granted but unvested restricted stock awards are forfeited in the event the participant resigns employment with us for other than good reason.

The fair value of restricted stock and restricted stock units is based on the closing market price on the date of the grant. The compensation expense related to restricted stock units and restricted stock is amortized ratably over the vesting period.

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NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

During the three months ended March 31, 2010 and 2009, compensation expense related to restricted stock units and restricted stock totaled \$4.1 million and \$2.7 million, respectively.

Multi-Employer Pension Plans

We contribute to 25 multi-employer pension plans under collective bargaining agreements covering union-represented employees. Approximately 17% of our total current employees are participants in such multi-employer plans. These plans generally provide retirement benefits to participants based on their service to contributing employers. We do not administer these multi-employer plans. In general, these plans are managed by a board of trustees with the unions appointing certain trustees and other contributing employers of the plan appointing certain members. We generally are not represented on the board of trustees.

Based on the information available to us, we believe that some of the multi-employer plans to which we contribute are either “critical” or “endangered” as those terms are defined in the Pension Protection Act enacted in 2006 (the PPA). The PPA requires underfunded pension plans to improve their funding ratios within prescribed intervals based on the level of their underfunding. Until the plan trustees develop the funding improvement plans or rehabilitation plans as required by the PPA, we are unable to determine the amount of assessments we may be subject to, if any. Accordingly, we cannot determine at this time the impact that the PPA may have on our consolidated financial position, results of operations or cash flows.

Furthermore, under current law regarding multi-employer benefit plans, a plan’s termination, our voluntary withdrawal (which we consider from time to time), or the mass withdrawal of all contributing employers from any under-funded, multi-employer pension plan would require us to make payments to the plan for our proportionate share of the multi-employer plan’s unfunded vested liabilities. It is possible that there may be a mass withdrawal of employers contributing to these plans or plans may terminate in the near future. We could have adjustments to our estimates for these matters in the near term that could have a material effect on our consolidated financial condition, results of operations or cash flows.

10. STOCKHOLDERS’ EQUITY AND EARNINGS PER SHARE

We initiated a quarterly cash dividend in July 2003. The dividend has been increased from time to time thereafter, with the latest increase occurring in the third quarter of 2008. Our current quarterly dividend per share is \$0.19. Dividends declared were \$72.5 million and \$72.0 million for the three months ended March 31, 2010 and 2009, respectively. As of March 31, 2010, we recorded a quarterly dividend payable of approximately \$72.5 million to stockholders of record at the close of business on April 1, 2010.

Basic earnings per share is computed by dividing net income attributable to Republic Services, Inc. by the weighted average number of common shares (including restricted stock and vested but unissued restricted 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 and unvested restricted stock units. In computing diluted earnings per share, we utilize the treasury stock method.

Earnings per share for the three months ended March 31, 2010 and 2009 are calculated as follows (in thousands, except per share amounts):

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	Three Months Ended March 31,	
	2010	2009
Basic earnings per share:		
Net income attributable to Republic Services, Inc.	\$ 65,000	\$ 113,000
Weighted average common shares outstanding	381,428	378,949
Basic earnings per share	\$ 0.17	\$ 0.30
Diluted earnings per share:		
Net income attributable to Republic Services, Inc.	\$ 65,000	\$ 113,000
Weighted average common shares outstanding	381,428	378,949
Effect of dilutive securities:		
Options to purchase common stock	1,723	912
Unvested restricted stock awards	130	1
Weighted average common and common equivalent shares outstanding	383,281	379,862
Diluted earnings per share	\$ 0.17	\$ 0.30
Antidilutive securities not included in the diluted earnings per share calculations:		
Senior subordinated convertible debentures	—	5,108
Options to purchase common stock	5,403	12,634

11. OTHER COMPREHENSIVE INCOME AND FINANCIAL INSTRUMENTS

A summary of comprehensive income for the three months ended March 31, 2010 and 2009 is as follows:

	Three Months Ended March 31,	
	2010	2009
Net income	\$ 65.2	\$ 113.4
Settlement and amortization of interest rate lock hedges, net of tax	(3.7)	—
Change in value of commodity hedges, net of tax	(3.2)	(1.3)
Change in value of fuel hedges, net of tax	—	(1.1)
Employee benefit plan liability adjustments, net of tax	0.1	—
Comprehensive income	58.4	111.0
Less: comprehensive income attributable to noncontrolling interests	(0.2)	(0.4)
Comprehensive income attributable to Republic Services, Inc.	\$ 58.2	\$ 110.6

The tax effect of the above described transactions was calculated at a 42.0% and 43.5% rate for the three months ended March 31, 2010 and 2009, respectively.

Fuel Hedges

We have entered into multiple swap agreements designated as cash flow hedges to mitigate some of our exposure related to changes in diesel fuel prices. The swaps qualified for, and were designated as, effective hedges of changes in the prices of forecasted diesel fuel purchases (fuel hedges).

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

The following table summarizes our outstanding fuel hedges at March 31, 2010 and 2009:

<u>Inception Date</u>	<u>Commencement Date</u>	<u>Termination Date</u>	<u>Notional Amount (in Gallons per Month)</u>	<u>Contract Price per Gallon</u>
January 26, 2007	January 4, 2010	December 27, 2010	500,000	\$ 2.81
November 5, 2007	January 5, 2009	December 30, 2013	60,000	3.28
March 17, 2008	January 5, 2009	December 31, 2012	50,000	3.72
March 17, 2008	January 5, 2009	December 31, 2012	50,000	3.74
September 22, 2008	January 1, 2009	December 31, 2011	150,000	4.16 - 4.17
July 10, 2009	January 1, 2010	December 31, 2010	100,000	2.84
July 10, 2009	January 1, 2011	December 31, 2011	100,000	3.05
July 10, 2009	January 1, 2012	December 31, 2012	100,000	3.20

If the national U.S. on-highway average price for a gallon of diesel fuel (average price) as published by the Department of Energy exceeds the contract price per gallon, we receive the difference between the average price and the contract price (multiplied by the notional gallons) from the counter-party. If the national U.S. on-highway average price for a gallon of diesel fuel is less than the contract price per gallon, we pay the difference to the counter-party.

The fair values of our fuel hedges are obtained from third-party counter-parties and are determined using standard option valuation models with assumptions about commodity prices being based on those observed in underlying markets (Level 2 in the fair value hierarchy). The aggregated fair values of the outstanding fuel hedges at March 31, 2010 and December 31, 2009 were current assets of \$2.6 million and \$3.2 million, respectively, and current liabilities of \$4.3 million and \$4.9 million, respectively, and have been recorded in other current assets and other accrued liabilities in our consolidated balance sheets, respectively.

The following table summarizes the impact of our fuel hedges on our results of operations and comprehensive income for the three months ended March 31, 2010 and 2009:

<u>Derivatives in Cash Flow Hedging Relationships</u>	<u>Amount of Gain or (Loss) Recognized in OCI on Derivatives (Effective Portion) Three Months Ended March 31,</u>		<u>Statement of Income Classification</u>	<u>Amount of Realized Gain or (Loss) Three Months Ended March 31,</u>		<u>Location of Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	<u>Amount of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	
	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
	\$ —	\$ (1.1)		\$ (0.9)	\$ (2.5)		\$ —	\$ (0.1)
Fuel hedges			Cost of operations			Other income, net		

Recycling Commodity Hedges

Our revenue from sales of recycling commodities is primarily from sales of old corrugated cardboard (OCC) and old newspaper (ONP). We have entered into multiple swap agreements related to certain forecasted recycling commodity sales designated as cash flow hedges to mitigate some of our exposure related to changes in commodity prices. The swaps qualified for, and were designated as, effective hedges of changes in the prices of certain forecasted recycling commodity sales (commodity hedges).

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

The following table summarizes our outstanding commodity hedges at March 31, 2010 and 2009:

<u>Inception Date</u>	<u>Commencement Date</u>	<u>Termination Date</u>	<u>Transaction Hedged</u>	<u>Notional Amount (in Short Tons per Month)</u>	<u>Contract Price Per Short Ton</u>
April 28, 2008	January 1, 2009	December 31, 2010	OCC	1,000	\$106.00
April 28, 2008	January 1, 2009	December 31, 2010	ONP	1,000	106.00
April 28, 2008	January 1, 2009	December 31, 2010	OCC	1,000	110.00
April 28, 2008	January 1, 2009	December 31, 2010	ONP	1,000	103.00
May 16, 2008	January 1, 2009	December 31, 2010	OCC	1,000	105.00
May 16, 2008	January 1, 2009	December 31, 2010	ONP	1,000	102.00
May 16, 2008	January 1, 2009	December 31, 2010	ONP	1,000	106.00
May 16, 2008	January 1, 2009	December 31, 2010	OCC	1,000	103.00
December 8, 2009	January 1, 2010	December 31, 2011	ONP	2,000	76.00
December 10, 2009	January 1, 2010	December 31, 2011	OCC	2,000	82.00
December 11, 2009	January 1, 2010	December 31, 2011	OCC	2,000	82.00
January 5, 2010	January 1, 2010	December 31, 2011	ONP	2,000	84.00
January 6, 2010	January 1, 2010	December 31, 2011	OCC	1,000	90.00
January 27, 2010	February 1, 2010	January 31, 2012	OCC	1,000	90.00

If the price per short ton of the hedging instrument (average price) as reported on the Official Board Market is less than the contract price per short ton, we receive the difference between the average price and the contract price (multiplied by the notional short tons) from the counter-party. If the price of the commodity exceeds the contract price per short ton, we pay the difference to the counter-party. The fair values of our commodity hedges are obtained from third-party counter-parties and are determined using standard option valuation models with assumptions about commodity prices being based on those observed in underlying markets (Level 2 in the fair value hierarchy). The aggregated fair values of the outstanding commodity hedges at March 31, 2010 and December 31, 2009 were current assets of \$0.3 million and \$1.8 million, respectively, and current liabilities of \$5.1 million and \$0.8 million, respectively, and have been recorded in other current assets and other accrued liabilities in our consolidated balance sheets, respectively.

The following table summarizes the impact of our commodity hedges on our results of operations and comprehensive income for the three months ended March 31, 2010 and 2009:

<u>Derivatives in Cash Flow Hedging Relationships</u>	<u>Amount of Gain or (Loss) Recognized in OCI on Derivatives (Effective Portion)</u>		<u>Statement of Income Classification</u>	<u>Amount of Realized Gain or (Loss)</u>		<u>Location of Gain (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	<u>Amount of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	
	<u>Three Months Ended March 31,</u>			<u>Three Months Ended March 31,</u>			<u>Three Months Ended March 31,</u>	
	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
Recycling commodity hedges	\$ (3.2)	\$ (1.3)	Revenue	\$ (0.9)	\$ 1.8	Other income, net	\$ (0.2)	\$ —

Fair Value Measurements

In measuring fair values of assets and liabilities, we use valuation techniques that maximize the use of observable inputs (Level 1) and minimize the use of unobservable inputs (Level 3). We also use market data or assumptions that we believe market participants would use in pricing an asset or liability, including assumptions about risk when appropriate.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of March 31, 2010 and December 31, 2009:

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

	Total as of March 31, 2010	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Restricted cash and marketable securities	\$ 221.8	\$ 221.8	\$ —	\$ —
Fuel hedges — other current assets	2.6	—	2.6	—
Commodity hedges — other current assets	0.3	—	0.3	—
Interest rate swaps — other assets	9.8	—	9.8	—
Total assets	<u>\$ 234.5</u>	<u>\$ 221.8</u>	<u>\$ 12.7</u>	<u>\$ —</u>
Liabilities:				
Fuel hedges — other accrued liabilities	\$ 4.3	\$ —	\$ 4.3	\$ —
Commodity hedges — other accrued liabilities	5.1	—	5.1	—
Total liabilities	<u>\$ 9.4</u>	<u>\$ —</u>	<u>\$ 9.4</u>	<u>\$ —</u>

	Total as of December 31, 2009	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Restricted cash and marketable securities	\$ 240.5	\$ 240.5	\$ —	\$ —
Fuel hedges — other current assets	3.2	—	3.2	—
Commodity hedges — other current assets	1.8	—	1.8	—
Interest rate swaps — other assets	9.9	—	9.9	—
Total assets	<u>\$ 255.4</u>	<u>\$ 240.5</u>	<u>\$ 14.9</u>	<u>\$ —</u>
Liabilities:				
Fuel hedges — other accrued liabilities	\$ 4.9	\$ —	\$ 4.9	\$ —
Commodity hedges — other accrued liabilities	0.8	—	0.8	—
Total liabilities	<u>\$ 5.7</u>	<u>\$ —</u>	<u>\$ 5.7</u>	<u>\$ —</u>

12. SEGMENT INFORMATION

Our operations are managed and evaluated through four regions: Eastern, Midwestern, Southern and Western. These four regions are presented below as our 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 our reportable segments for the three months ended March 31, 2010 and 2009 is shown in the following tables:

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

	Gross Revenue	Intercompany Revenue	Net Revenue	Depreciation, Amortization, Depletion and Accretion	Operating Income (Loss)	Capital Expenditures	Total Assets
Three Months Ended March 31, 2010							
Eastern	\$ 585.2	\$ (83.1)	\$ 502.1	\$ 51.6	\$ 128.2	\$ 37.1	\$ 4,471.8
Midwestern	503.3	(88.5)	414.8	51.9	88.7	57.7	3,629.2
Southern	565.7	(76.1)	489.6	57.6	120.5	32.5	4,842.2
Western	644.6	(118.8)	525.8	49.5	130.6	24.0	5,443.0
Corporate entities	31.1	(5.7)	25.4	12.6	(86.7)	57.1	1,079.1
Total	\$ 2,329.9	\$ (372.2)	\$ 1,957.7	\$ 223.2	\$ 381.3	\$ 208.4	\$ 19,465.3
Three Months Ended March 31, 2009							
Eastern	\$ 618.6	\$ (92.1)	\$ 526.5	\$ 54.5	\$ 116.7	\$ 40.6	\$ 4,441.5
Midwestern	526.3	(98.1)	428.2	56.3	76.6	20.2	3,471.8
Southern	616.4	(83.8)	532.6	63.1	128.4	45.9	5,048.0
Western	670.2	(120.4)	549.8	58.1	126.1	47.3	5,633.3
Corporate entities	23.4	—	23.4	13.1	(94.8)	39.4	1,268.0
Total	\$ 2,454.9	\$ (394.4)	\$ 2,060.5	\$ 245.1	\$ 353.0	\$ 193.4	\$ 19,862.6

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

Corporate functions include legal, tax, treasury, information technology, risk management, human resources, corporate accounts and other typical administrative functions. Capital expenditures for corporate entities primarily include vehicle inventory acquired but not yet assigned to operating locations and facilities. National accounts revenue included in the corporate entities represents the portion of revenue generated from nationwide contracts in markets outside our operating areas, and, as such, the associated waste handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

The following table reflects our revenue by service line for the three months ended March 31, 2010 and 2009:

	Three Months Ended March 31,			
	2010		2009	
Collection:				
Residential	\$ 534.7	27.3%	\$ 546.1	26.5%
Commercial	621.5	31.7	658.6	32.0
Industrial	348.1	17.8	382.9	18.6
Other	6.9	0.4	7.2	0.3
Total collection	1,511.2	77.2	1,594.8	77.4
Transfer and disposal	692.4		775.8	
Less: Intercompany	(357.5)		(389.3)	
Transfer and disposal, net	334.9	17.1	386.5	18.8
Other	111.6	5.7	79.2	3.8
Total revenue	\$ 1,957.7	100.0%	\$ 2,060.5	100.0%

Other revenue consists primarily of revenue from sales of recycled materials and revenue from national accounts. National accounts revenue included in other revenue represents the portion of revenue generated from nationwide contracts in markets outside our operating areas, and, as such, the associated waste handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

13. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

We are subject to extensive and evolving laws and regulations and have implemented our own safeguards to respond to regulatory requirements. In the normal course of conducting our operations, we may become involved in certain legal proceedings. Some of these actions may result in fines, penalties or judgments against us, which may impact earnings and cash flows for a particular period. Although the ultimate outcome of any legal matter cannot be predicted with certainty, except as described below, we do not believe that the outcome of our pending legal proceedings will have a material adverse impact on our consolidated financial position, results of operations or cash flows.

As used herein, *legal proceedings* refers to litigation and similar claims against us and our subsidiaries, excluding: (i) ordinary course accidents, general commercial liability and workers compensation claims, which are covered by insurance programs, subject to customary deductibles, and which, together with self-insured employee health care costs, are discussed in this note; (ii) our tax-related matters, which are discussed in Note 8, *Income Taxes*; and (iii) environmental remediation liabilities, which are discussed in Note 6, *Landfill and Environmental Costs*.

We accrue for legal proceedings when losses become probable and reasonably estimable. We have recorded an aggregate accrual of approximately \$122 million relating to our outstanding legal proceedings as of March 31, 2010, including those described herein and others not specifically identified herein. As of the end of each applicable reporting period, we review each of our legal proceedings and, where it is probable that a liability has been incurred, we accrue for all probable and reasonably estimable losses. Where we are able to reasonably estimate a range of losses we may incur with respect to such a matter, we record an accrual for the amount within the range that constitutes our best estimate. If we are able to reasonably estimate a range but no amount within the range appears to be a better estimate than any other, we use the amount that is the low end of such range. If we used the high ends of such ranges, our aggregate potential liability would have been approximately \$133 million higher than the amount recorded as of March 31, 2010.

Countywide Matters

Since 2007, we, through our subsidiary Republic Services of Ohio II, LLC (Republic-Ohio), have been subject to a number of environmental proceedings with governmental authorities with respect to our Countywide Recycling and Disposal Facility (Countywide). These proceedings have related primarily to environmental conditions at Countywide attributed to a chemical reaction resulting from the disposal of certain aluminum production waste at the site. We are currently subject to Findings and Orders issued by the Ohio Environmental Protection Agency and a Consent Order entered into with the State of Ohio. As a result, we are required to implement a comprehensive operation and maintenance program for managing the remediation area and to address certain compliance issues at the facility. The remediation liability for Countywide recorded as of March 31, 2010 is \$72.6 million, of which approximately \$4.0 million is expected to be paid during the remainder of 2010. See Note 6, *Landfill and Environmental Costs* for more information.

For several years, we were involved in litigation with the Stark County Board of Health (Board of Health) regarding the Stark County Health Department's recommendations that the Board of Health suspend or deny Countywide's annual operating license. The litigation was concluded in September 2009, pursuant to a Consent Order which requires the Board of Health to issue conditional and/or final operating licenses to Countywide and requires us to reimburse the Board of Health for certain expenses. Notwithstanding the conclusion of this litigation, Countywide's 2009 operating license has been challenged by Tuscarawas County, and the Board of Health issued Countywide its 2010 operating license on December 30, 2009, which also has been challenged by a Tuscarawas County and a local citizens' group, Club 3000.

In a suit filed on October 8, 2008 in the Tuscarawas County Ohio Court of Common Pleas, approximately 700 plaintiffs have named Republic Services, Inc. and Republic-Ohio as defendants. The claims alleged are negligence and nuisance and arise from the operation of Countywide. Republic-Ohio has owned and operated Countywide since February 1, 1999. Waste Management, Inc. and Waste Management Ohio, Inc., previous owners and operators of Countywide, have been named as defendants as well. Plaintiffs are individuals and businesses located in the geographic area around Countywide. They claim that due to the acceptance of a specific waste stream and operational issues and conditions, the landfill has generated odors and other unsafe emissions that allegedly have impaired the use and value of their property. There are also allegations that the emissions from Countywide may have adverse health effects. A second almost identical lawsuit was filed on October 13, 2009 in the Tuscarawas County Ohio Court of Common Pleas with approximately 82 plaintiffs. These plaintiffs named Republic Services, Inc., Republic-Ohio, Waste Management, Inc., and Waste Management Ohio, Inc. as defendants. On February 10, 2010, the court issued an order consolidating the two actions. The relief requested on behalf of each plaintiff in the consolidated action is: (1) an award of compensatory damages according to proof in an amount in excess of \$25,000 for each of the three counts of the amended complaint; (2) an award of punitive damages in the amount of two times compensatory damages, pursuant to applicable statute, or in such amount as may be awarded at trial for each of the three counts of the amended complaint; (3) costs for medical screening and monitoring of each plaintiff; (4) interest on the damages according to law; (5) costs and disbursements of the lawsuit; (6) reasonable fees for attorneys and expert witnesses; and (7) any other and further relief as the court deems just, proper and equitable. Based upon the representation made by counsel to the court, we believe that plaintiffs intend to dismiss the medical monitoring and personal injury claims and file an amended complaint. Answers have been filed in both cases and discovery is ongoing. We intend to vigorously defend against the plaintiffs' allegations in the consolidated action.

Luri Matter

On August 17, 2007, a lawsuit was filed by a former employee, Ronald Luri v. Republic Services, Inc., Republic Services of Ohio Hauling LLC, Republic Services of Ohio I LLC, Jim Bowen and Ron Krall in the Cuyahoga County Common Pleas Court in Ohio. Plaintiff alleges that he was unlawfully fired in retaliation for refusing to discharge or demote three employees who were all over 50 years old. On July 3, 2008, a jury verdict was awarded against us in the amount of \$46.6 million, including \$43.1 million in punitive damages. On September 24, 2008, the Court awarded pre-judgment interest of \$0.3 million and attorney fees and litigation costs of \$1.1 million. Post-judgment interest accrued at a rate of 8% for 2008 and 5% for 2009, and is accruing at a rate of 4% for 2010. Management anticipates that post-judgment interest could accrue through the middle of 2011 for a total of \$7.7 million. Post-judgment

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

motions filed on our behalf and certain of our subsidiaries were denied, and on October 1, 2008, we filed a notice of appeal. The Court of Appeals dismissed the appeal holding that the trial court had not entered a final, appealable order. The case was returned to the trial court for additional proceedings. The trial court issued the final, appealable order on March 3, 2010, and we filed our notice of appeal on March 29, 2010. It is reasonably possible that following all appeals a final judgment of liability for compensatory and punitive damages may be assessed against us related to this matter.

Forward Matters

The District Attorney for San Joaquin County filed a civil action against Forward, Inc. and Allied Waste Industries, Inc. on February 14, 2008 in the Superior Court of California, County of San Joaquin. Forward and Allied each filed answers in November 2008, denying all material allegations of the complaint. The complaint seeks civil penalties of \$2,500 for each alleged violation, but no less than \$10.0 million, and an injunction against Forward and Allied for alleged permit and regulatory violations at the Forward Landfill. The District Attorney contends that the alleged violations constitute unfair business practices under the California Business and Professions Code section 17200, et seq., by virtue of violations of Public Resources Code Division 30, Part 4, Chapter 3, Article 1, sections 44004 and 44014(b); California Code of Regulations Title 27, Chapter 3, Subchapter 4, Article 6, sections 20690(11) and 20919.5; and Health and Safety Code sections 25200, 25100, et seq., and 25500, et seq. Although the complaint is worded very broadly and does not identify specific permit or regulatory violations, the District Attorney has articulated three primary concerns in past communications, alleging that the landfill: (1) used green waste containing food as alternative daily cover, (2) exceeded its daily solid waste tonnage receipt limitations under its solid waste facility permit, and (3) received hazardous waste in violation of its permit (i.e., auto shredder waste). Additionally, it is alleged that the landfill allowed a concentration of methane gas in excess of five percent. Discovery is currently underway. We are vigorously defending against the allegations.

On February 5, 2010, the U.S. Environmental Protection Agency (EPA) Region IX delivered a Finding and Notice of Violation to the Forward Landfill as a result of alleged violations of the Title V permit issued under the Clean Air Act. The facility is jointly regulated by the EPA and the San Joaquin Valley Air Pollution Control District. The alleged violations include operating gas collection wellheads at greater than 15% oxygen, experiencing a subsurface oxidation event on multiple occasions, and submitting inaccurate compliance certifications. We have met with the agencies and intend to vigorously defend against the allegations.

Litigation Related to Fuel and Environmental Fees

On July 8, 2009, CLN Properties, Inc. and Maevers Management Company, Inc., filed a complaint against the Company and one of its subsidiaries in the United States District Court in Arizona, in which plaintiffs complain about fuel recovery fees and environmental recovery fees charged by the Company or one of its subsidiaries. On July 23, 2009, Klingler's European Bake Shop & Deli, Inc., filed a complaint against the Company and one of its subsidiaries in the Circuit Court of Jefferson County, Alabama, in which plaintiff complains about fuel/environmental recovery fees and administrative fees charged by the Company or one of its subsidiaries. The CLN Properties/Maevers complaint, as amended, purports to be filed on behalf of a nationwide class of similarly-situated plaintiffs, while the Klingler's complaint purports to be filed on behalf of a class of similarly situated plaintiffs in Alabama. Each complaint asserts various legal and equitable theories of recovery and alleges in essence that the fees were not properly disclosed, were unfair, and were contrary to contract. We filed motions to dismiss in both actions. On January 13, 2010, the court in the CLN/Maevers case granted our motion to dismiss in part and denied it in part. The court scheduled a hearing on class certification for December 3, 2010. Plaintiff in the Klingler's case voluntarily dismissed the action without prejudice on October 23, 2009 and subsequently re-filed a virtually identical complaint against a different subsidiary of the company on November 20, 2009. The court recently heard argument on or motion to dismiss this new complaint. The plaintiffs in both actions have not specified the amount of damages sought. Although the range of reasonably possible loss cannot be estimated, we do not believe that this matter will have a material impact on our consolidated financial positions, results of operations or cash flows. We will continue to vigorously defend the claims in both lawsuits.

Imperial Landfill Matter

On May 18, 2009, the Pennsylvania Department of Environmental Protection (PADEP) and the Allegheny County Health Department (ACHD) presented to the Imperial Landfill a proposed consent order and agreement for a series of alleged violations related to landfill gas, leachate control, cover management, and resulting nuisance odor complaints, primarily in late 2008 and 2009. Both the PADEP and the ACHD subsequently issued additional notices of violation for similar alleged violations. On March 12, 2010, we signed a Consent Assessment of Civil Penalties (CACP) with the PADEP in connection with PADEP's allegations of violations at the landfill through November 16, 2009. The total penalty amount in the CACP was \$650,000. The Company's negotiations with the ACHD are still ongoing. The latest lump sum penalty proposed by the ACHD was less than the settlement amount in the PADEP CACP. On April 12, 2010, additional orders were issued against us by both the PADEP and the ACHD for the allegedly continuing failure to bring the landfill's odor issues under control. Neither PADEP nor ACHD has specified the amount of penalty sought in connection with these additional orders. We will vigorously defend against these latest orders.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Litigation Related to the Merger with Allied

On December 3, 2008, the DOJ and seven state attorneys general filed a complaint, Hold Separate Stipulation and Order, and competitive impact statement, together with a proposed final judgment, in the United States District Court for the District of Columbia, in connection with approval under the HSR Act of our merger with Allied. The court entered the Hold Separate Stipulation and Order on December 4, 2008, which terminated the waiting period under the HSR Act and allowed the parties to close the transaction subject to the conditions described in the Hold Separate Stipulation and Order. These conditions include the divestiture of certain assets which were completed by September 30, 2009. However, the final judgment can only be approved by the court after the DOJ publishes a notice in the Federal Register and considers comments it receives. During this period, if the DOJ believes that the final judgment is no longer in the public interest, the DOJ may withdraw its support of the final judgment and seek to prevent the final judgment from becoming final in its present form. Likewise, the court may, in its discretion, modify the divestitures or other relief sought by the DOJ if the court believes that such modification is in the public interest. On July 16, 2009, the DOJ and the seven state attorneys general filed a motion seeking entry of the proposed final judgment. The precise timing for the confirmation of the final judgment is not known. Management believes that the court will enter the final judgment and that modifications to the final judgment, if any, will not be material.

Proxy Disclosure Matter

In late 2009, a Republic stockholder brought a lawsuit in Federal court in Delaware challenging our disclosures in our 2009 proxy statement with respect to the Executive Incentive Plan (“EIP”) that was approved by our stockholders at the 2009 annual meeting. The lawsuit is styled as a combined proxy disclosure claim and derivative action. We are a defendant only with respect to the proxy disclosure claim, which seeks only to require us to make additional disclosures regarding the EIP and to hold a new stockholder vote prior to making any payments under the EIP. The derivative claim is purportedly brought on behalf of our company against all of our directors and the individuals who were executive officers at the time of the 2009 annual meeting and alleges, among other things, breach of fiduciary duty. That claim also seeks injunctive relief and seeks to recoup on behalf of our company an unspecified amount of the incentive compensation that may be paid to our executives under the EIP, as well as the amount of any tax deductions that may be lost if the EIP does not comply with Section 162(m) of the Internal Revenue Code. We believe the lawsuit is without merit and is not material and intend to vigorously defend against the plaintiff’s allegations.

Contracting Matter

We discovered actions of non-compliance by one of our subsidiaries with the subcontracting provisions of certain government contracts in one of our markets. We reported the discovery to, and expect further discussions with, law enforcement authorities. Such non-compliance could result in payments by us in the form of restitution, damages, or penalties, or the loss of future business in the affected market or other markets. Based on the information currently available to us, including our expectation that our self-disclosure will be viewed favorably by the applicable authorities, we presently believe that the resolution of the matter, while it may have a material impact on our results of operations or cash flows in the period in which it is recognized or paid, will not have a material adverse effect on our consolidated financial position.

Congress Development Landfill Matters

Congress Development Co. (CDC) is a general partnership that owns and operates the Congress Landfill. The general partners in CDC are our subsidiary, Allied Waste Transportation, Inc. (Allied Transportation), and an unaffiliated entity, John Sexton Sand & Gravel Corporation (Sexton). Sexton was the operator of the landfill through early 2007, when Allied Transportation took over as the operator. The general partners likely will be jointly and severally liable for the costs associated with the following matters relating to the Congress Landfill.

In January 2006, CDC was issued an Agreed Preliminary Injunction and Order by the Circuit Court of Illinois, Cook County. Subsequently, the court issued two additional Supplemental Orders that required CDC to implement certain remedial actions at the Congress Landfill, which remedial actions are underway. The remediation liability for CDC as of March 31, 2010 is \$82.3 million, of which approximately \$18.2 million is expected to be paid during the remainder of 2010. See Note 6, *Landfill and Environmental Costs* for more information. We are actively negotiating with the Illinois Attorney General and the Illinois Environmental Protection Agency (IEPA) to settle this state court lawsuit. Most recently, on March 23, 2010, the Illinois Attorney General and IEPA submitted a draft consent decree as a counterproposal to an offer we had made in October, 2009. We are engaging in ongoing discussions with both agencies to reach a negotiated settlement, and have also been aggressively working to correct any violations alleged in the pending lawsuit.

In a suit originally filed on December 23, 2009 in the Circuit Court of Cook County, Illinois and subsequently amended to add additional plaintiffs, approximately 1,000 plaintiffs sued our subsidiaries Allied Transportation and Allied Waste Industries, Inc., CDC

REPUBLIC SERVICES, INC.**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED**

and Sexton. The plaintiffs allege bodily injury, property damage and inability to have normal use and enjoyment of property arising from, among other things, odors and other damages arising from landfill gas leaking, and they base their claims on negligence, trespass, and nuisance. The plaintiffs have requested actual damages in excess of \$50 million and punitive damages of \$50 million. We intend to vigorously defend against the plaintiffs' allegations in this action.

Livingston Matter

On October 13, 2009, the Twenty-First Judicial District Court, Parish of Livingston, State of Louisiana, issued its Post Class Certification Findings of Fact and Conclusions of Law in a lawsuit alleging nuisance from the activities of the CECOS hazardous waste facility located in Livingston Parish, Louisiana. The court granted class certification for all those living within a six mile radius of the CECOS site between the years 1977 and 1990. We have filed a notice of appeal with respect to the class certification order, and we intend to continue to defend this lawsuit vigorously.

Sunshine Canyon Matter

On November 17, 2009, the South Coast Air Quality Management District (District) issued a Petition for an Order for Abatement (Petition) as a result of a series of odor complaints alleged to be associated with the operations at the Sunshine Canyon Landfill located in Sylmar, California (Sunshine Canyon). The Petition described eight notices of violation beginning in November 2008 and continuing to November 2009. The District Hearing Board held an initial compliance hearing on December 17, 2009, which started the process of several days of hearings and negotiations over a draft Order for Abatement (Order). In January 2010 and February 2010, the District issued three additional notices of violation to Sunshine Canyon in response to alleged odor complaints at the landfill. On March 24, 2010, the District approved and issued a final Order which requires certain operational changes aimed at odor control, and further requires Sunshine Canyon to perform several studies regarding odor control techniques, equipment and site meteorology. While the District has stated its intention to assess a penalty on Sunshine Canyon, it has not indicated the amount or type of such a penalty.

Restricted Cash and Marketable Securities

Our restricted cash deposits and marketable securities include, among other things, restricted cash held for capital expenditures under certain debt facilities, and restricted cash and marketable securities pledged to regulatory agencies and governmental entities as financial guarantees of our performance related to our final capping, closure and post-closure obligations at our landfills, as follows:

	March 31, 2010	December 31, 2009
Financing proceeds	\$ 89.0	\$ 93.1
Capping, closure and post-closure obligations	57.9	58.5
Other	74.9	88.9
Total restricted cash and marketable securities	<u>\$ 221.8</u>	<u>\$ 240.5</u>

Off-Balance Sheet Arrangements

We have no off-balance sheet debt or similar obligations, other than operating leases and the financial assurances discussed above, which are not classified as debt. We have no transactions or obligations with related parties that are not disclosed, consolidated into or reflected in our reported financial position or results of operations. We have not guaranteed any third-party debt.

Self-Insurance Reserves

Our insurance programs for workers' compensation, general liability, vehicle liability and employee-related health care benefits are effectively self-insured. We carry 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. We also carry property insurance. Claims in excess of self-insurance levels are fully insured subject to policy limits.

In general, our self-insurance reserves are recorded on an undiscounted basis. However, our estimate of the self-insurance liabilities we acquired in the acquisition of Allied have been recorded at fair value, and, therefore, have been discounted to present value using a rate of 9.75%. Discounted reserves are accreted to interest expense through the period that they are paid. As of March 31, 2010, the remaining unamortized discount to the self-insurance reserves is \$29.5 million.

REPUBLIC SERVICES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Our liabilities for unpaid and incurred but not reported claims at March 31, 2010 (which includes claims for workers' compensation, general liability, vehicle liability and employee health care benefits) were \$413.8 million under our current risk management program and are included in other current liabilities and other liabilities in our consolidated balance sheets. While the ultimate amount of claims incurred is dependent on future developments, in our opinion, recorded reserves are adequate to cover the future payment of claims. However, it is possible that recorded reserves may not be adequate to cover the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in our consolidated statements of income in the periods in which such adjustments are known.

14. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

We are the primary obligor under certain of the Senior Notes issued by us. All of the subsidiary guarantors are 100% wholly owned subsidiaries of the parent, and all guarantees are full, unconditional and joint and several with respect to principal, interest and liquidated damages, if any. As such, we present condensed consolidating balance sheets as of March 31, 2010 and December 31, 2009, and condensed consolidating statements of income and cash flows for the three months ended March 31, 2010 and 2009 for each of Republic Services, Inc. (Parent), guarantor subsidiaries and the other non-guarantor subsidiaries with any consolidating adjustments.

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED
Condensed Consolidating Balance Sheets

	March 31, 2010				
	Parent	Guarantors	Non - Guarantors	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 9.5	\$ 59.4	\$ 12.5	\$ —	\$ 81.4
Accounts receivable, net	—	293.5	557.2	—	850.7
Prepaid expenses and other current assets	34.3	86.5	14.9	—	135.7
Deferred tax assets	187.9	—	10.3	—	198.2
Total current assets	231.7	439.4	594.9	—	1,266.0
Restricted cash and marketable securities	59.8	83.8	78.2	—	221.8
Property and equipment, net	56.5	6,207.6	335.3	—	6,599.4
Goodwill, net	—	10,665.4	—	—	10,665.4
Other intangible assets, net	27.0	456.2	—	—	483.2
Investment and net advances to affiliate	12,926.0	216.5	146.6	(13,289.1)	—
Other assets	90.9	87.5	51.1	—	229.5
Total assets	<u>\$ 13,391.9</u>	<u>\$ 18,156.4</u>	<u>\$ 1,206.1</u>	<u>\$ (13,289.1)</u>	<u>\$ 19,465.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	\$ 31.8	\$ 363.0	\$ 17.4	\$ —	\$ 412.2
Notes payable and current maturities of long-term debt	—	475.7	—	—	475.7
Deferred revenue	—	324.5	5.4	—	329.9
Accrued landfill and environmental costs, current portion	—	241.0	—	—	241.0
Accrued interest	28.1	56.1	—	—	84.2
Other accrued liabilities	276.5	223.0	212.4	—	711.9
Total current liabilities	336.4	1,683.3	235.2	—	2,254.9
Long-term debt, net of current maturities	4,286.4	2,336.9	15.0	—	6,638.3
Accrued landfill and environmental costs, net of current portion	0.5	317.9	1,080.8	—	1,399.2
Deferred income taxes and other long-term tax liabilities	995.1	0.1	(5.9)	—	989.3
Self-insurance reserves, net of current portion	—	113.3	187.0	—	300.3
Other long-term liabilities	206.9	56.7	51.0	—	314.6
Commitments and contingencies					
Stockholders' equity:					
Common stock	4.0	—	—	—	4.0
Other equity	7,562.6	13,647.7	(358.6)	(13,289.1)	7,562.6
Total Republic Services, Inc. stockholders' equity	7,566.6	13,647.7	(358.6)	(13,289.1)	7,566.6
Noncontrolling interests	—	0.5	1.6	—	2.1
Total stockholders' equity	7,566.6	13,648.2	(357.0)	(13,289.1)	7,568.7
Total liabilities and stockholders' equity	<u>\$ 13,391.9</u>	<u>\$ 18,156.4</u>	<u>\$ 1,206.1</u>	<u>\$ (13,289.1)</u>	<u>\$ 19,465.3</u>

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Condensed Consolidating Balance Sheets

	December 31, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 101.8	\$ (62.6)	\$ 8.8	\$ —	\$ 48.0
Accounts receivable, net	—	391.6	473.5	—	865.1
Prepaid expenses and other current assets	23.7	15.8	117.0	—	156.5
Deferred tax assets	93.1	92.0	10.2	—	195.3
Total current assets	218.6	436.8	609.5	—	1,264.9
Restricted cash and marketable securities	67.6	85.5	87.4	—	240.5
Property and equipment, net	45.6	6,270.1	342.0	—	6,657.7
Goodwill, net	—	10,667.1	—	—	10,667.1
Other intangible assets, net	28.9	471.1	—	—	500.0
Investment and net advances to affiliate	10,877.3	212.6	145.7	(11,235.6)	—
Other assets	58.3	102.1	49.7	—	210.1
Total assets	<u>\$ 11,296.3</u>	<u>\$ 18,245.3</u>	<u>\$ 1,234.3</u>	<u>\$ (11,235.6)</u>	<u>\$ 19,540.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	\$ 114.0	\$ 441.4	\$ 37.4	\$ —	\$ 592.8
Notes payable and current maturities of long-term debt	—	243.0	300.0	—	543.0
Deferred revenue	—	326.7	4.4	—	331.1
Accrued landfill and environmental costs, current portion	—	245.4	—	—	245.4
Accrued interest	33.5	62.3	0.4	—	96.2
Other accrued liabilities	273.5	231.1	235.6	—	740.2
Total current liabilities	421.0	1,549.9	577.8	—	2,548.7
Long-term debt, net of current maturities	2,902.2	3,502.4	15.0	—	6,419.6
Accrued landfill and environmental costs, net of current portion	0.5	306.2	1,076.5	—	1,383.2
Deferred income taxes and other long-term tax liabilities	280.6	765.8	(5.9)	—	1,040.5
Self-insurance reserves, net of current portion	—	129.3	172.7	—	302.0
Other long-term liabilities	127.5	102.0	49.7	—	279.2
Commitments and contingencies					
Stockholders' equity:					
Common stock	4.0	—	—	—	4.0
Other equity	7,560.5	11,887.1	(651.5)	(11,235.6)	7,560.5
Total Republic Services, Inc. stockholders' equity	7,564.5	11,887.1	(651.5)	(11,235.6)	7,564.5
Noncontrolling interests	—	2.6	—	—	2.6
Total stockholders' equity	7,564.5	11,889.7	(651.5)	(11,235.6)	7,567.1
Total liabilities and stockholders' equity	<u>\$ 11,296.3</u>	<u>\$ 18,245.3</u>	<u>\$ 1,234.3</u>	<u>\$ (11,235.6)</u>	<u>\$ 19,540.3</u>

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Condensed Consolidating Statements of Income

	Three Months Ended March 31, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Revenue	\$ —	\$ 1,902.4	\$ 70.8	\$ (15.5)	\$ 1,957.7
Expenses:					
Cost of operations	1.2	1,103.3	47.8	(15.5)	1,136.8
Depreciation, amortization and depletion	5.0	195.2	2.8	—	203.0
Accretion	—	4.4	15.8	—	20.2
Selling, general and administrative	52.5	154.6	3.2	—	210.3
(Gain) loss on disposition of assets and impairments, net	—	0.5	—	—	0.5
Restructuring charges	—	5.6	—	—	5.6
Operating income	(58.7)	438.8	1.2	—	381.3
Interest expense	(42.5)	(92.7)	0.7	—	(134.5)
Loss on extinguishment of debt	(0.1)	(132.0)	(0.2)	—	(132.3)
Interest income	(0.3)	0.2	0.1	—	—
Other income, net	1.5	0.1	0.1	—	1.7
Equity in earnings of subsidiaries	51.6	7.9	0.9	(60.4)	—
Intercompany interest income (expense)	123.3	(143.3)	20.0	—	—
Income before income taxes	74.8	79.0	22.8	(60.4)	116.2
Provision for income taxes	9.8	32.2	9.0	—	51.0
Net income	65.0	46.8	13.8	(60.4)	65.2
Less: net income attributable to noncontrolling interests	—	(0.2)	—	—	(0.2)
Net income attributable to Republic Services, Inc.	<u>\$ 65.0</u>	<u>\$ 46.6</u>	<u>\$ 13.8</u>	<u>\$ (60.4)</u>	<u>\$ 65.0</u>
	Three Months Ended March 31, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Revenue	\$ —	\$ 1,996.0	\$ 83.2	\$ (18.7)	\$ 2,060.5
Expenses:					
Cost of operations	1.7	1,169.5	56.2	(18.7)	1,208.7
Depreciation, amortization and depletion	3.7	213.0	5.1	—	221.8
Accretion	—	9.4	13.9	—	23.3
Selling, general and administrative	40.2	175.0	2.3	—	217.5
(Gain) loss on disposition of assets and impairments, net	5.4	(0.5)	—	—	4.9
Restructuring charges	—	31.3	—	—	31.3
Operating income	(51.0)	398.3	5.7	—	353.0
Interest expense	(23.7)	(126.9)	(2.9)	—	(153.5)
Interest income	0.3	0.1	0.3	—	0.7
Other income, net	0.1	0.1	—	—	0.2
Equity in earnings of subsidiaries	159.9	13.5	(1.1)	(172.3)	—
Intercompany interest income (expense)	—	(19.3)	19.3	—	—
Income before income taxes	85.6	265.8	21.3	(172.3)	200.4
Provision for income taxes	(27.4)	106.6	7.8	—	87.0
Net income	113.0	159.2	13.5	(172.3)	113.4
Less: net income attributable to noncontrolling interests	—	(0.4)	—	—	(0.4)
Net income attributable to Republic Services, Inc.	<u>\$ 113.0</u>	<u>\$ 158.8</u>	<u>\$ 13.5</u>	<u>\$ (172.3)</u>	<u>\$ 113.0</u>

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Condensed Consolidating Statements of Cash Flows

	Three Months Ended March 31, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Cash Provided by Operating Activities:					
Net income	\$ 65.0	\$ 46.8	\$ 13.8	\$ (60.4)	\$ 65.2
Equity in earnings of subsidiaries, net of taxes	(51.6)	(7.9)	(0.9)	60.4	—
Other adjustments	(11.8)	259.3	(13.6)	—	233.9
Cash Provided by Operating Activities	1.6	298.2	(0.7)	—	299.1
Cash (Used in) Provided by Investing Activities:					
Purchases of property and equipment	—	(208.4)	—	—	(208.4)
Proceeds from sales of property and equipment	—	5.9	—	—	5.9
Cash used in acquisitions, net of cash acquired	—	(0.8)	—	—	(0.8)
Cash proceeds from divestitures, net of cash divested	—	—	—	—	—
Change in restricted cash and marketable securities	7.8	1.6	9.2	—	18.6
Other	—	0.6	—	—	0.6
Change in investment and net advances to affiliate	(1,402.0)	(300.0)	(4.1)	1,706.1	—
Cash (Used in) Provided by Investing Activities	(1,394.2)	(501.1)	5.1	1,706.1	(184.1)
Cash Provided by (Used in) Financing Activities:					
Proceeds from notes payable and long-term debt	731.5	—	—	—	731.5
Proceeds from issuance of senior notes, net of discount	1,499.4	—	—	—	1,499.4
Payments of notes payable and long-term debt	(847.6)	(1,050.8)	(300.0)	—	(2,198.4)
Premiums paid on extinguishment of debt	—	(30.4)	—	—	(30.4)
Fees paid to issue and retire senior notes and certain hedging relationships	(20.8)	—	—	—	(20.8)
Issuances of common stock	9.4	—	—	—	9.4
Excess income tax benefit from stock option exercises	0.8	—	—	—	0.8
Cash dividends paid	(72.4)	—	—	—	(72.4)
Distributions paid to noncontrolling interest	—	—	(0.7)	—	(0.7)
Change in investment and net advances from parent	—	1,406.1	300.0	(1,706.1)	—
Cash Provided by (Used in) Financing Activities	1,300.3	324.9	(0.7)	(1,706.1)	(81.6)
Increase (Decrease) in Cash and Cash Equivalents	(92.3)	122.0	3.7	—	33.4
Cash and Cash Equivalents at Beginning of Period	101.8	(62.6)	8.8	—	48.0
Cash and Cash Equivalents at End of Period	\$ 9.5	\$ 59.4	\$ 12.5	\$ —	\$ 81.4

REPUBLIC SERVICES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS — CONTINUED

Condensed Consolidating Statements of Cash Flows

	Three Months Ended March 31, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Cash Provided by Operating Activities:					
Net income	\$ 113.0	\$ 159.2	\$ 13.5	\$ (172.3)	\$ 113.4
Equity in earnings of subsidiaries, net of taxes	(159.9)	(13.5)	1.1	172.3	—
Other adjustments	103.2	260.4	35.4	—	399.0
Cash Provided by Operating Activities	56.3	406.1	50.0	—	512.4
Cash Provided by (Used in) Investing Activities:					
Purchases of property and equipment	—	(189.7)	(3.7)	—	(193.4)
Proceeds from sales of property and equipment	—	4.9	—	—	4.9
Cash used in acquisitions, net of cash acquired	—	(0.1)	—	—	(0.1)
Cash proceeds from divestitures, net of cash divested	—	0.3	—	—	0.3
Change in restricted cash and marketable securities	15.5	3.5	0.2	—	19.2
Change in investment and net advances to affiliate	—	(49.0)	—	49.0	—
Cash Provided by (Used in) Investing Activities	15.5	(230.1)	(3.5)	49.0	(169.1)
Cash Used in Financing Activities:					
Proceeds from notes payable and long-term debt	230.9	—	—	—	230.9
Payments of notes payable and long-term debt	(301.8)	(10.8)	(68.5)	—	(381.1)
Issuances of common stock	3.7	—	—	—	3.7
Excess income tax benefit from stock option exercises	0.3	—	—	—	0.3
Purchases of common stock for treasury	(0.3)	—	—	—	(0.3)
Cash dividends paid	(72.0)	—	—	—	(72.0)
Change in investment and net advances from parent	28.9	—	20.1	(49.0)	—
Cash Used in Financing Activities	(110.3)	(10.8)	(48.4)	(49.0)	(218.5)
Increase (Decrease) in Cash and Cash Equivalents	(38.5)	165.2	(1.9)	—	124.8
Cash and Cash Equivalents at Beginning of Period	67.2	(10.8)	12.3	—	68.7
Cash and Cash Equivalents at End of Period	\$ 28.7	\$ 154.4	\$ 10.4	\$ —	\$ 193.5

15. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through the date these financial statements were filed. No additional material subsequent events have occurred since March 31, 2010 that required recognition or disclosure in our current period financial statements.

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 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 Annual Report on Form 10-K for the year ended December 31, 2009.

General

We are the second largest provider of services in the domestic non-hazardous solid waste industry, as measured by revenue. We provide non-hazardous solid waste collection services for commercial, industrial, municipal and residential customers through 367 collection companies in 40 states and Puerto Rico. We own or operate 217 transfer stations, 190 active solid waste landfills and 77 recycling facilities. We also operate 75 landfill gas and renewable energy projects. We completed our merger with Allied Waste Industries, Inc. (Allied) in December 2008.

Despite the challenging economic environment, our business performed well during the first three months of 2010 due in large part to the indispensable nature of our services and the scalability of our business. Revenue for the three months ended March 31, 2010 decreased by 5.0% to \$2.0 billion compared to \$2.1 billion during the comparable period in 2009. Due to the acquisition of Allied, the Department of Justice (DOJ) required us to divest of certain assets and related liabilities in overlapping markets. The result of the divestitures decreased revenue by 2.3% quarter over quarter. Excluding the divested revenues, core revenue for the three months ended March 31, 2010 decreased 2.7%, consisting of a 2.2% increase in core price, 1.8% increase in commodity price and a 0.3% increase in fuel charges offset by a decrease of 7.0% in core volume. The core price increase, together with cost control steps taken by our operations management to scale the business down for lower volumes, served to moderate profit margin declines associated with rising costs and declining revenue resulting from decreases in service volumes.

Recent Developments

In March 2010, we issued \$850.0 million of 5.00% senior notes due 2020 (the 2020 Notes) and \$650.0 million of 6.20% senior notes due 2040 (the 2040 Notes, and, together with the 2020 Notes, the Notes). The Notes are general senior unsecured obligations and mature on March 1, 2020 (in the case of the 2020 Notes) and March 1, 2040 (in the case of the 2040 Notes). Interest is payable semi-annually on March 1 and September 1, beginning September 1, 2010. The Notes are guaranteed by each of our subsidiaries that also guarantee our Credit Facilities. These guarantees are general senior unsecured obligations of subsidiary guarantors. In addition, in March 2010, we entered into a Registration Rights Agreement with the representatives of the initial purchasers of the Notes. Under the Registration Rights Agreement, we agreed to use our reasonable best efforts to cause to become effective a registration statement to exchange the Notes for freely tradable notes issued by us. If we are unable to effect the exchange offer by November 25, 2010, we agreed to pay additional interest on the Notes.

We used the net proceeds from the Notes as follows: (i) \$433.7 million to redeem the 6.125% senior notes due 2014 at a premium of 102.042% (\$425.0 million principal outstanding); (ii) \$621.8 million to redeem the 7.250% senior notes due 2015 at a premium of 103.625% (\$600.0 million principal outstanding); and (iii) the remainder to reduce amounts outstanding under our Credit Facilities and for general corporate purposes. We incurred a loss of \$132.1 million for premiums paid to repurchase debt, charges for unamortized debt discounts and professional fees paid to effectuate the repurchase of the senior notes.

Business Acquisitions and Divestitures

We make decisions to acquire, invest in or divest of businesses based on financial and strategic considerations. Businesses acquired are accounted for under the purchase method of accounting and are included in our consolidated financial statements from the date of acquisition.

Merger with Allied Waste Industries, Inc.

On December 5, 2008, we acquired all the issued and outstanding shares of Allied in a stock-for-stock transaction for an aggregate purchase price of \$12.1 billion, which included approximately \$5.4 billion of debt, at fair value. We completed our purchase price allocation for this acquisition during 2009. Future adjustments, if any, made to the valuation of assets acquired and liabilities assumed will be recorded in the consolidated statement of income in the period in which such adjustments become known.

As a result of our acquisition of Allied, we committed to a restructuring plan related to our corporate overhead and other administrative and operating functions. The plan included closing our corporate office in Florida, consolidating administrative functions to Arizona, the former headquarters of Allied, and reducing staffing levels. The plan also included closing and consolidating

certain operating locations and terminating certain leases. During the three months ended March 31, 2010 and 2009, we incurred \$5.6 million and \$31.3 million, respectively, of restructuring and integration charges related to our integration of Allied, of which \$0.7 million and \$18.8 million, respectively, for the three months ended March 31, 2010 and 2009 consist of charges for severance and other employee termination and relocation benefits. The remainder of the charges in each of the three month periods primarily related to consulting and professional fees. Substantially all the charges are recorded in our corporate segment. We expect to incur additional charges approximating \$8 million to complete our plan. We expect that the majority of these charges will be paid during the remainder of 2010 and extend into 2011. As a result of our integration activities, we expect to achieve \$185 million to \$190 million of annual run-rate synergies by the end of 2010.

Separately, as a condition of the merger with Allied the Department of Justice (DOJ) required us to divest of certain assets and related liabilities. As of December 31, 2009, we have completed our required divestitures.

Consolidated Results of Operations

Three Months Ended March 31, 2010 and 2009

The following table summarizes our operating revenue, costs and expenses for the three months ended March 31, 2010 and 2009 (in millions of dollars and as a percentage of our revenue):

	Three Months Ended March 31,			
	2010		2009	
Revenue	\$ 1,957.7	100.0%	\$ 2,060.5	100.0%
Cost of operations	1,136.8	58.1	1,208.7	58.7
Depreciation, amortization and depletion of property and equipment	185.4	9.5	204.4	9.9
Amortization of other intangible assets	17.6	0.9	17.4	0.9
Accretion	20.2	1.0	23.3	1.1
Selling, general and administrative	210.3	10.7	217.5	10.6
Loss on disposition of assets and impairments, net	0.5	—	4.9	0.2
Restructuring charges	5.6	0.3	31.3	1.5
Operating income	<u>\$ 381.3</u>	<u>19.5%</u>	<u>\$ 353.0</u>	<u>17.1%</u>

Our pre-tax income was \$116.2 million and \$200.4 million for the three months ended March 31, 2010 and 2009, respectively. Our net income attributable to Republic Services, Inc. was \$65.0 million for the three months ended March 31, 2010, or \$0.17 per diluted share, compared to \$113.0 million, for the three months ended March 31, 2009, or \$0.30 per diluted share.

During each of the three month periods ended March 31, 2010 and 2009, we recorded a number of charges and other expenses that impacted our pre-tax income, net income attributable to Republic Services, Inc. (Net Income — Republic) and diluted earnings per share. These items primarily consist of the following (in millions, except per share data):

	Three Months Ended March 31, 2010			Three Months Ended March 31, 2009		
	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share
As reported	\$ 116.2	\$ 65.0	\$ 0.17	\$ 200.4	\$ 113.0	\$ 0.30
Loss on extinguishment of debt	132.3	83.4	0.22	—	—	—
Costs to achieve synergies	9.1	5.5	0.01	12.8	7.2	0.02
Restructuring charges	5.6	3.4	0.01	31.3	17.7	0.05
Loss on disposition of assets and impairments, net	0.5	0.3	—	4.9	2.8	0.01
Adjusted	<u>\$ 263.7</u>	<u>\$ 157.6</u>	<u>\$ 0.41</u>	<u>\$ 249.4</u>	<u>\$ 140.7</u>	<u>\$ 0.38</u>

Loss on extinguishment of debt. During the first quarter of 2010, we retired outstanding senior notes maturing in 2014 and 2015.

Restructuring charges. During the three months ended March 31, 2010 and 2009, we incurred \$5.6 million and \$31.3 million, respectively, of restructuring and integration charges related to our merger with Allied. These charges consist of severance and other employee termination and relocation benefits as well as consulting and professional fees. Substantially all of these charges were recorded in our corporate entities segment.

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Costs to achieve synergies. During the three months ended March 31, 2010 and 2009, we incurred \$9.1 million and \$12.8 million, respectively, of incremental costs to achieve our synergy plans which are recorded in selling, general and administrative expenses in our unaudited consolidated statements of income. These incremental costs primarily relate to a synergy incentive plan as well as other integration costs. We expect that we will incur an additional \$25.6 million in 2010 for our synergy incentive plan.

Loss on disposition of assets and impairments, net. During the three months ended March 31, 2010, we recorded loss on disposition of assets, net of costs to sell, and impairments of \$0.5 million primarily related to transaction costs. During the three months ended March 31, 2009, we recorded loss on disposition of assets, net of costs to sell of \$4.9 million related to the mandatory disposition of assets as required by DOJ as well as discretionary dispositions.

We believe that the presentation of adjusted pre-tax income, adjusted net income attributable to Republic Services, Inc. and adjusted diluted earnings per share, which are not measures determined in accordance with U.S. GAAP, provide an understanding of operational activities before the financial impact of certain non-operational items. We use these measures, and believe investors will find them helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate impact on our results for a particular period. Comparable charges and costs have been incurred in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definition of adjusted pre-tax income, adjusted net income attributable to Republic Services, Inc. and adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies.

Revenue

We generate revenue primarily from our solid waste collection operations. Our remaining revenue is from other services including landfill disposal and recycling. 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. Certain of our municipal contracts have annual price escalation clauses that are tied to changes in an underlying base index such as the consumer price index. We generally provide commercial and industrial collection services to individual customers under contracts with terms up to three years. Our transfer station, landfill and to a lesser extent our material recovery facilities generate revenue 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. Other revenue consists primarily of revenue from sales of recycled materials and revenue from national accounts. National accounts revenue included in other revenue represents the portion of revenue generated from nationwide contracts in markets outside our operating areas, and, as such, the associated waste handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations. No one customer has individually accounted for more than 5% of our consolidated revenue or of our reportable segment revenue in any of the periods presented.

The following table reflects our revenue by service line for the three months ended March 31, 2010 and 2009 (in millions of dollars and as a percentage of our revenue):

	Three Months Ended March 31,			
	2010		2009	
Collection:				
Residential	\$ 534.7	27.3%	\$ 546.1	26.5%
Commercial	621.5	31.7	658.6	32.0
Industrial	348.1	17.8	382.9	18.6
Other	6.9	0.4	7.2	0.3
Total collection	1,511.2	77.2	1,594.8	77.4
Transfer and disposal	692.4		775.8	
Less: Intercompany	(357.5)		(389.3)	
Transfer and disposal, net	334.9	17.1	386.5	18.8
Other	111.6	5.7	79.2	3.8
Total revenue	<u>\$ 1,957.7</u>	<u>100.0%</u>	<u>\$ 2,060.5</u>	<u>100.0%</u>

The following table reflects changes in our revenue for the three months ended March 31, 2010 and 2009. We have presented the components of our revenue changes for the three months ended March 31, 2009 assuming our merger with Allied occurred on January 1, 2008:

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	Three Months Ended March 31,	
	2010	2009
Core price	2.2%	3.5%
Fuel surcharges	0.3	(1.2)
Commodities	1.8	(2.9)
Total price	4.3	(0.6)
Core volume	(7.0)	(8.0)
Total internal growth	(2.7)	(8.6)
Acquisitions / divestitures, net	(2.3)	—
Intercompany eliminations	—	(0.4)
Total	(5.0)%	(9.0)%

During the three months ended March 31, 2010, our revenue growth from core pricing continued to benefit from a broad-based pricing initiative that we started during the fourth quarter of 2003. We anticipate that we will continue to realize this benefit throughout 2010. During the three months ended March 31, 2010, we experienced negative core volume growth in all lines of our business, including collection, landfill and transfer station, primarily due to the challenging economic environment. We expect to continue to experience lower volumes until economic conditions improve. This information has been prepared for illustrative purposes and is not intended to be indicative of the revenue that would have been realized had the merger been consummated at the beginning of the periods presented or the future results of the combined operations.

Cost of Operations

Cost of operations was \$1,136.8 million and \$1,208.7 million, or, as a percentage of revenue, 58.1% and 58.7%, for the three months ended March 31, 2010 and 2009, respectively.

Cost of operations includes labor and related benefits, which consists of salaries and wages, health and welfare benefits, incentive compensation and payroll taxes. It also includes transfer and disposal costs representing tipping fees paid to third-party disposal facilities and transfer stations; maintenance and repairs relating to our vehicles, equipment and containers, including related labor and benefit costs; transportation and subcontractor costs, which include costs for independent haulers who transport our waste to disposal facilities and costs for local operators who provide waste handling services associated with our national accounts in markets outside our standard operating areas; fuel which includes the direct cost of fuel used by our vehicles, net of fuel credits; disposal franchise fees and taxes, consisting of landfill taxes, municipal franchise fees, host community fees and royalties; landfill operating costs, which includes landfill accretion, financial assurance, leachate disposal and other landfill maintenance costs; risk management, which includes casualty insurance premiums and claims; cost of goods sold, which includes material costs paid to suppliers associated with recycling commodities; and other, which includes expenses such as facility operating costs, equipment rent and gains or losses on sale of assets used in our operations.

The following table summarizes the major components of our cost of operations for the three months ended March 31, 2010 and 2009 (in millions of dollars and as a percentage of our revenue):

	Three Months Ended March 31,			
	2010		2009	
Labor and related benefits	\$ 375.7	19.2%	\$ 399.2	19.4%
Transfer and disposal costs	155.5	7.9	162.5	7.9
Maintenance and repairs	146.1	7.5	167.8	8.1
Transportation and subcontract costs	113.6	5.8	123.2	6.0
Fuel	94.7	4.8	76.9	3.7
Franchise fees and taxes	93.9	4.8	99.0	4.8
Landfill operating costs	28.3	1.4	31.0	1.5
Risk management	37.4	1.9	58.9	2.9
Cost of goods sold	23.2	1.2	12.0	0.6
Other	68.4	3.6	78.2	3.8
Total cost of operations	\$ 1,136.8	58.1%	\$ 1,208.7	58.7%

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 that of other companies.

Our cost of operations as a percentage of revenue improved 0.6% for the three months ended March 31, 2010, compared to the three months ended March 31, 2009, primarily due to lower labor, transportation, maintenance and repair costs resulting from lower waste volumes and cost control measures. In addition, we lowered our risk insurance reserves as a result of favorable actuarial development during the three months ended March 31, 2010. This favorable development is primarily attributable to our continued focus on safety. Partially offsetting these cost decreases were increases in fuel and commodity costs. Average fuel costs per gallon for the three months ended March 31, 2010 were \$2.85, an increase of \$0.65 or 29.5% from the three months ended March 31, 2009 which averaged \$2.20. During the three months ended March 31, 2010 and 2009, approximately 68% and 71%, respectively of the total waste volume that we collected was disposed at landfill sites that we own or operate (internalization), which adversely affected our cost of operations as a percentage of revenue. The decline in internalization quarter over quarter is primarily due to the divestiture of certain landfill assets as required by the DOJ.

Depreciation, Amortization and Depletion of Property and Equipment

The following table summarizes depreciation, amortization and depletion of property and equipment for the three months ended March 31, 2010 and 2009 (in millions of dollars and as a percentage of revenue):

	Three Months Ended March 31,			
	2010		2009	
Depreciation and amortization of property and equipment	\$ 129.0	6.6%	\$ 132.6	6.4%
Landfill depletion and amortization	56.4	2.9	71.8	3.5
Depreciation, amortization and depletion expense	<u>\$ 185.4</u>	<u>9.5%</u>	<u>\$ 204.4</u>	<u>9.9%</u>

Depreciation, amortization and depletion expenses for property and equipment were \$185.4 million and \$204.4 million or, as a percentage of revenue, 9.5% and 9.9%, for the three months ended March 31, 2010 and 2009, respectively. The decrease in aggregate dollars and as a percentage of revenue is due to a reduction of amortization expense associated with lower landfill volumes and assets divested as required by the DOJ.

Amortization of Other Intangible and Other Assets

Expenses for amortization of intangible and other assets were \$17.6 million and \$17.4 million or, as a percentage of revenue, 0.9% and 0.9% for the three months ended March 31, 2010 and 2009, respectively. The amounts have remained relatively consistent as there have not been any significant increases to our intangible and other asset balance. Our other intangible assets primarily relate to customer lists, franchise agreements, municipal contracts and agreements, tradenames and, to a lesser extent, non-compete agreements.

Accretion Expense

Accretion expense was \$20.2 million and \$23.3 million, or, as a percentage of revenue, 1.0% and 1.1%, for the three months ended March 31, 2010 and 2009, respectively. The amounts have remained relatively unchanged as our asset retirement obligations have remained consistent period over period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were \$210.3 million and \$217.5 million, or, as a percentage of revenue, 10.7% and 10.6%, for the three months ended March 31, 2010 and 2009, respectively.

Selling, general and administrative expenses include salaries, health and welfare benefits and incentive compensation for corporate and field general management, field support functions, sales force, accounting and finance, legal, management information systems and clerical and administrative departments. Other expenses include rent and office costs, fees for professional services provided by third parties, marketing, investor and community relations, directors' and officers' insurance, general employee relocation, travel, entertainment and bank charges, but excludes any such amounts recorded as restructuring charges.

The following tables provide the components of our selling, general and administrative costs for the three months ended March 31, 2010 and 2009 (in millions of dollars and as a percentage of revenue):

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	Three Months Ended March 31,			
	2010		2009	
Salaries	\$ 133.8	6.8%	\$ 133.3	6.5%
Provision for doubtful accounts	2.5	0.1	5.8	0.3
Costs to achieve synergies	9.1	0.5	12.7	0.6
Other	64.9	3.3	65.7	3.2
Total selling, general and administrative expenses	<u>\$ 210.3</u>	<u>10.7%</u>	<u>\$ 217.5</u>	<u>10.6%</u>

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 selling, general and administrative expenses by cost component to that of other companies.

Salaries included in selling, general and administrative expenses remained relatively consistent in aggregate dollars, but increased as a percentage of revenue due to the decline in revenue. Other selling, general and administrative expenses for the three months ended March 31, 2010 included \$8.4 million of charges recorded primarily for certain ongoing litigation compared to \$0.6 million recorded during the three months ended March 31, 2009.

Loss on Disposition of Assets and Impairments, Net

During the three months ended March 31, 2010, we recorded \$0.5 million for certain legal expenses and other costs for various acquisition and divestiture transaction activities. During the three months ended March 31, 2009, we recorded \$4.9 million of asset impairments and losses on sales of businesses, of which \$1.8 million relates to impairment losses on assets classified as held for sale that were adjusted to the lower of their carrying amounts or estimated fair values less costs to sell. The assets held for sale were related to operations that were Republic's prior to the merger with Allied and were required by the DOJ to be divested.

Restructuring Charges

During the three months ended March 31, 2010, we incurred \$5.6 million of restructuring and integration charges related to our integration of Allied, of which \$0.7 million consists of charges for severance and other employee termination and relocation benefits. The remainder of the charges primarily related to consulting and professional fees. Substantially all of these charges were recorded in our corporate entities segment. We expect that the majority of these charges will be paid during the remainder of 2010 and extend into 2011. During the three months ended March 31, 2009, we incurred \$31.3 million of such charges.

Interest Expense

Interest expense was \$134.5 million and \$153.5 million for the three months ended March 31, 2010 and 2009, respectively. The following tables provide the components of interest expense, including accretion of debt discounts and accretion of discounts primarily associated with environmental and self-funded risk insurance liabilities assumed in the acquisition of Allied for the three months ended March 31, 2010 and 2009 (in millions):

	Three Months Ended March 31,	
	2010	2009
Interest expense on debt and capital lease obligations	\$ 107.0	\$ 115.5
Accretion of debt discounts	16.2	25.7
Accretion of remediation and risk reserves	12.2	12.7
Less: capitalized interest	(0.9)	(0.4)
Total interest expense	<u>\$ 134.5</u>	<u>\$ 153.5</u>

The decrease in interest expense during the three months ended March 31, 2010 versus the comparable 2009 period is primarily due to refinancing our higher interest rate debt in the second half of 2009 and partially in the first quarter of 2010. The weighted average interest rate on our senior notes and debentures for the three months ended March 31, 2010 was 6.14% compared to the weighted average interest rate for the three months ended March 31 2009 of 6.80%.

Interest paid was \$120.1 million and \$106.4 million for the three months ended March 31, 2010 and 2009, respectively.

Loss on extinguishment of debt

Loss on early extinguishment of debt was \$132.3 million for the three months ended March 31, 2010. We used the net proceeds from the Notes as follows: (i) \$433.7 million to redeem the 6.125% senior notes due 2014 at a premium of 102.042% (\$425.0 million principal outstanding); (ii) \$621.8 million to redeem the 7.250% senior notes due 2015 at a premium of 103.625% (\$600.0 million principal outstanding); and (iii) the remainder to reduce amounts outstanding under our Credit Facilities and for general corporate purposes.

The loss on extinguishment of debt recorded during the three months ended March 31, 2010 primarily consists of premiums paid to repurchase debt, the charge for unamortized debt discounts and professional fees paid to effectuate the repurchase. In the future we may choose to voluntarily retire certain portions of our outstanding debt before their maturity using cash from operations or additional borrowings. We may also explore opportunities in capital markets to fund redemptions. The early extinguishment of debt may result in an impairment charge in the period in which the debt is repurchased and retired.

Income Taxes

Our provision for income taxes was \$51.0 million and \$87.0 million for the three months ended March 31, 2010 and 2009, respectively. Our effective tax rate was 44.0% and 43.5% for the three months ended March 31, 2010 and 2009, respectively. The effective tax rate for the three months ended March 31, 2010 was higher than anticipated due to the loss on extinguishment of debt. We expect the effective tax rate for the year ended December 31, 2010 to be approximately 42%.

With respect to the settlement of certain tax liabilities regarding BFI risk management companies, we paid \$60.1 million in the first quarter of 2010 and anticipate paying the remainder, approximately \$67 million, later in 2010.

In the future we may choose to divest certain operating assets that have little or no tax basis, thereby resulting in a higher taxable gain than otherwise would be recognized for reporting purposes. The higher taxable gain will increase our effective rate in the quarter in which the divestiture is consummated.

Segment Discussion

Our operations are managed and reviewed through four geographic regions that we designate as our reportable segments. Summarized financial information concerning our reportable segments for the three months ended March 31, 2010 and 2009 is shown in the following table (in millions of dollars and as a percentage of revenue):

	Net Revenue	Depreciation, Amortization, Depletion and Accretion	Gain (Loss) on Disposition of Assets, Net and Asset Impairment	Operating Income (Loss)	Operating Margin
Three Months Ended March 31, 2010					
Eastern	\$ 502.1	\$ 51.6	\$ (0.4)	\$ 128.2	25.5%
Midwestern	414.8	51.9	—	88.7	21.4
Southern	489.6	57.6	—	120.5	24.6
Western	525.8	49.5	(0.1)	130.6	24.8
Corporate entities	25.4	12.6	—	(86.7)	—
Total	\$ 1,957.7	\$ 223.2	\$ (0.5)	\$ 381.3	19.5%
Three Months Ended March 31, 2009					
Eastern	\$ 526.5	\$ 54.5	\$ 0.6	\$ 116.7	22.2%
Midwestern	428.2	56.3	(0.2)	76.6	17.9
Southern	532.6	63.1	0.4	128.4	24.1
Western	549.8	58.1	—	126.1	22.9
Corporate entities	23.4	13.1	(5.7)	(94.8)	—
Total	\$ 2,060.5	\$ 245.1	\$ (4.9)	\$ 353.0	17.1%

Corporate entities include legal, tax, treasury, information technology, risk management, human resources, corporate accounts and other typical administrative functions. National accounts revenue included in corporate entities represents the portion of revenue generated from nationwide contracts in markets outside our operating areas, and, as such, the associated waste handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

Significant changes in the revenue and operating margins of our reportable segments comparing the three months ended March 31, 2010 with 2009 are discussed in the following paragraphs. The results of our reportable segments were also affected by the disposition of certain assets and liabilities, as required by the DOJ. Additionally, the decrease in revenue resulting from declines in volumes noted below are attributable to the continued economic slowdown.

Eastern Region

Revenue for the three months ended March 31, 2010 benefited from core price growth in all lines of business except transfer station. However, the increase in revenue from core price was more than offset by volume declines, especially in our collection and landfill lines of business. Contributing to the decline in revenue was \$8.5 million of revenue associated with locations that were required to be divested by the DOJ during 2009.

The increase in operating margins for the three months ended March 31, 2010 is attributed to lower labor, benefits, disposal, transportation, repair and maintenance expenses as a result of lower volumes and cost control measures coupled with lower risk insurance costs, partially offset by higher fuel costs.

Midwestern Region

Revenue for the three months ended March 31, 2010 benefited from core price growth in all lines of business except landfill. While price associated with municipal solid waste volumes increased during the period, this increase was offset by higher special waste volumes. However, the increase in revenue from core price was more than offset by volume declines in our collection and transfer station lines of business. Landfill volumes increased primarily due to certain special waste volumes. Contributing to the decline in revenue was \$2.8 million of revenue associated with locations that were required to be divested by the DOJ during 2009.

The increase in operating margins for the three months ended March 31, 2010 is attributed to lower labor, benefits, disposal, transportation, repair and maintenance expenses as a result of lower volumes and cost control measures coupled with lower risk insurance costs, partially offset by higher fuel costs.

Southern Region

Revenue for the three months ended March 31, 2010 benefited from core price growth in all lines of business except transfer station. However, the increase in revenue from core price was more than offset by volume declines, especially in our collection and landfill lines of business. Contributing to the decline in revenue was \$15.5 million of revenue associated with locations that were required to be divested by the DOJ during 2009.

The increase in operating margins for the three months ended March 31, 2010 is attributed to lower labor, benefits, disposal, transportation, repair and maintenance expenses as a result of lower volumes and cost control measures coupled with lower risk insurance costs, partially offset by higher fuel costs.

Western Region

Revenue for the three months ended March 31, 2010 benefited from core price growth in all lines of business except transfer station. However, the increase in revenue from core price was more than offset by volume declines, especially in our collection and landfill lines of business. Contributing to the decline in revenue was \$11.4 million of revenue associated with locations that were required to be divested by the DOJ during 2009.

In the three months ended March 31, 2010, we realized a \$5.7 million favorable adjustment to amortization expense for asset retirement obligations which increased our operating margin by 1.1%. The remaining increase in operating margins for the three months ended March 31, 2010 is attributed to lower labor, benefits, disposal, transportation, repair and maintenance expenses as a result of lower volumes and cost control measures coupled with lower risk insurance costs, partially offset by higher fuel costs.

Corporate Entities

The increase in net revenue relates to our national accounts program. Included in our gain (loss) on disposition of assets and impairments, net for the three months ended March 31, 2009 are transaction related expenses from the disposition of assets in our other segments.

Landfill and Environmental Matters

Available Airspace

The following table reflects landfill airspace activity for active landfills owned or operated by us for the three months ended March 31, 2010:

	Balance as of December 31, 2009	New Expansions Undertaken	Permits Granted, Net of Closures	Airspace Consumed	Changes in Engineering Estimates	Balance as of March 31, 2010
Cubic yards (in millions):						
Permitted airspace	4,436.4	21.4	2.0	(19.3)	0.2	4,440.7
Probable expansion airspace	212.5	2.4	—	—	—	214.9
Total cubic yards (in millions)	<u>4,648.9</u>	<u>23.8</u>	<u>2.0</u>	<u>(19.3)</u>	<u>0.2</u>	<u>4,655.6</u>
Number of sites:						
Permitted airspace	192		(2)			190
Probable expansion airspace	<u>12</u>	<u>(1)</u>	<u>—</u>			<u>11</u>

Changes in engineering estimates typically include modifications to the 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.

As of March 31, 2010, we owned or operated 190 active solid waste landfills with total available disposal capacity estimated to be 4.7 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 at least annually by engineers utilizing information provided by annual aerial surveys. As of March 31, 2010, total available disposal capacity is estimated to be 4.4 billion in-place cubic yards of permitted airspace plus 0.2 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 all of our expansion criteria. During the three months ended March 31, 2010, total available airspace increased by a 6.7 million cubic yards, net, primarily due to new expansions, offset by airspace consumed.

As of March 31, 2010, 11 of our landfills meet all of our criteria for including their probable expansion airspace in their total available disposal capacity. At projected annual volumes, these landfills have an estimated remaining average site life of 40 years, including probable expansion airspace. The average estimated remaining life of all of our landfills is 46 years. We have other expansion opportunities that are not included in our total available airspace because they do not meet all of our criteria for probable expansion airspace.

Final Capping, Closure and Post-Closure Costs

As of March 31, 2010, accrued final capping, closure and post-closure costs were \$1.1 billion, of which \$135.7 million is current and \$950.8 million is long-term as reflected in our unaudited consolidated balance sheet in accrued landfill and environmental costs.

Remediation and Other Charges for Landfill Matters

In December 2009, we finalized our purchase price allocation for the environmental liabilities we assumed as part of the acquisition of Allied. These liabilities represent our estimate of costs to remediate sites that were previously owned or operated by Allied or sites at which Allied, or a predecessor company that it had acquired, had been identified as a potentially responsible party. The remediation of these sites is in various stages of completion from having received an initial notice from a regulatory agency and commencing investigation to being in the final stages of post remedial monitoring. We have recorded these liabilities at their estimated fair values using a discount rate of 9.75%. Discounted liabilities are accreted to interest expense through the period that they are paid.

See Note 6, *Landfill and Environmental Costs*, for a discussion of certain of our significant remediation matters.

Investment in Landfills

The following tables reflect changes in our investment in landfills for the three months ended March 31, 2010 and the future expected investment as of March 31, 2010 (in millions):

	Balance as of December 31, 2009	Capital Additions	Non-cash Additions for Asset Retirement Obligations	Transfers and Other Adjustments	Adjustments for Asset Retirement Obligations	Balance as of March 31, 2010
Non-depletable landfill land	\$ 142.7	\$ —	\$ —	\$ 0.1	\$ —	\$ 142.8
Landfill development costs	4,230.9	1.1	7.2	103.6	(5.4)	4,337.4
Construction-in-progress — landfill	245.1	14.9	—	(105.1)	—	154.9
Accumulated depletion and amortization	(1,275.4)	(61.4)	—	—	5.0	(1,331.8)
Net investment in landfill land and development costs	<u>\$ 3,343.3</u>	<u>\$ (45.4)</u>	<u>\$ 7.2</u>	<u>\$ (1.4)</u>	<u>\$ (0.4)</u>	<u>\$ 3,303.3</u>

	Balance as of March 31, 2010	Expected Future Investment	Total Expected Investment
Non-depletable landfill land	\$ 142.8	\$ —	\$ 142.8
Landfill development costs	4,337.4	6,011.1	10,348.5
Construction-in-progress landfill	154.9	—	154.9
Accumulated depletion and amortization	(1,331.8)	—	(1,331.8)
Net investment in landfill land and development costs	<u>\$ 3,303.3</u>	<u>\$ 6,011.1</u>	<u>\$ 9,314.4</u>

The following table reflects our net landfill investment excluding non-depletable land, and our depletion, amortization and accretion expense for the three months ended March 31, 2010 and 2009:

	Three Months Ended March 31,	
	2010	2009
Number of landfills owned or operated	<u>190</u>	<u>211</u>
Net investment, excluding non-depletable land (in millions)	\$ 3,160.5	\$ 3,168.9
Total estimated available disposal capacity (in millions of cubic yards)	<u>4,655.6</u>	<u>4,968.4</u>
Net investment per cubic yard	<u>\$ 0.68</u>	<u>\$ 0.64</u>
Landfill depletion and amortization expense (in millions)	\$ 56.4	\$ 71.8
Accretion expense (in millions)	<u>20.2</u>	<u>23.3</u>
Airspace consumed (in millions of cubic yards)	76.6	95.1
Depletion, amortization and accretion expense per cubic yard of airspace consumed	<u>\$ 3.97</u>	<u>\$ 4.01</u>

The decrease in the investment in our landfills, in aggregate dollars, is primarily due to consumption of airspace.

During the three months ended March 31, 2010 and 2009, our weighted-average compaction rate was approximately 1,700 pounds per cubic yard based on our three-year historical moving average. Our compaction rates may improve as a result of the settlement and decomposition of waste.

As of March 31, 2010, we expect to spend an estimated additional \$6.0 billion on existing landfills, primarily related to cell construction and environmental structures, over their expected remaining lives. Our total expected investment, excluding non-depletable land, estimated to be \$9.2 billion, or \$1.97 per cubic yard, is used in determining our depletion and amortization expense based on airspace consumed using the units-of-consumption method.

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, 2010 and 2009 (in millions):

	Allowance for Doubtful Accounts	Final Capping, Closure and Post-Closure	Remediation	Self- Insurance
Balance, December 31, 2009	\$ 55.2	\$ 1,074.5	\$ 554.1	\$ 412.9
Non-cash asset additions	—	7.2	—	—
Increase due to acquisition and other adjustments	—	0.5	1.5	—
Asset retirement obligation adjustments	—	(5.4)	—	—
Accretion expense	—	20.2	7.3	2.1
Additions charged to expense	2.5	—	2.3	86.3
Payments or usage	(5.0)	(10.5)	(11.5)	(87.5)
Balance, March 31, 2010	52.7	1,086.5	553.7	413.8
Less: Current portion	(52.7)	(135.7)	(105.3)	(113.5)
Long-term portion	\$ —	\$ 950.8	\$ 448.4	\$ 300.3
	Allowance for Doubtful Accounts	Final Capping, Closure and Post-Closure	Remediation	Self- Insurance
Balance, December 31, 2008	\$ 65.7	\$ 1,040.6	\$ 389.9	\$ 408.1
Non-cash asset additions	—	8.7	—	—
Increase due to acquisition and other adjustments	—	(0.7)	0.1	—
Asset retirement obligation adjustments	—	(0.7)	—	—
Accretion expense	—	23.3	5.0	4.9
Additions charged to expense	5.8	—	—	125.3
Transfers to assets held for sale	(1.2)	1.8	—	—
Payments or usage	(10.2)	(13.6)	(13.4)	(119.0)
Balance, March 31, 2009	60.1	1,059.4	381.6	419.3
Less: Current portion	(60.1)	(117.4)	(78.7)	(147.0)
Long-term portion	\$ —	\$ 942.0	\$ 302.9	\$ 272.3

As of March 31, 2010, accounts receivable were \$850.7 million, net of allowance for doubtful accounts of \$52.7 million, resulting in days sales outstanding of 40, or 24 days net of deferred revenue. In addition, at March 31, 2010, our accounts receivable in excess of 90 days old totaled \$57.7 million, or 6.4% 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, 2010 (in millions):

	Gross Property and Equipment							Balance as of March 31, 2010
	Balance as of December 31, 2009	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions for Asset Retirement Obligations	Adjustments for Asset Retirement Obligations	Transfers and Other Adjustments	
Other land	\$ 418.7	\$ —	\$ (0.9)	\$ —	\$ —	\$ —	\$ —	\$ 417.8
Non-depletable landfill land	142.7	—	—	—	—	—	0.1	142.8
Landfill development costs	4,230.9	1.2	—	—	7.2	(5.4)	103.5	4,337.4
Vehicles and equipment	3,792.4	105.9	(12.8)	0.9	—	—	(1.0)	3,885.4
Buildings and improvements	741.6	0.5	(1.2)	—	—	—	1.3	742.2
Construction-in-progress — landfill	245.1	14.9	—	—	—	—	(105.1)	154.9
Construction-in-progress — other	23.0	5.8	—	—	—	—	1.1	29.9
Total	\$ 9,594.4	\$ 128.3	\$ (14.9)	\$ 0.9	\$ 7.2	\$ (5.4)	\$ (0.1)	\$ 9,710.4

	Accumulated Depreciation, Amortization and Depletion					Balance as of March 31, 2010
	Balance as of December 31, 2009	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Adjustments for Asset Retirement Obligations	
Landfill development costs	\$ (1,275.4)	\$ (61.4)	\$ —	\$ —	\$ 5.0	\$ (1,331.8)
Vehicles and equipment	(1,518.2)	(121.0)	11.4	—	—	(1,627.8)
Buildings and improvements	(143.1)	(8.8)	0.6	(0.1)	—	(151.4)
Total	\$ (2,936.7)	\$ (191.2)	\$ 12.0	\$ (0.1)	\$ 5.0	\$ (3,111.0)

Liquidity and Capital Resources

The major components of changes in cash flows for the three months ended March 31, 2010 and 2009 are discussed in the following paragraphs. The following table summarizes our cash flow from operating activities, investing activities and financing activities for the three months ended March 31, 2010 and 2009:

	Three Months Ended March 31,	
	2010	2009
Net cash provided by operating activities	\$ 299.1	\$ 512.4
Net cash used in investing activities	(184.1)	(169.1)
Net cash used in financing activities	(81.6)	(218.5)

Cash Flows Provided by Operating Activities

The most significant items affecting the comparison of our operating cash flows for the three months ended March 31, 2010 and 2009 are summarized below:

Changes in assets and liabilities, net of effects from business acquisitions and divestitures. Changes in assets and liabilities reduced our cash flow from operations by \$104.2 million in the three months ended March 31, 2010 versus increasing our cash flow from operations by \$52.5 million in the three months ended March 31, 2009, primarily as a result of the following:

- During the three months ended March 31, 2010, we paid \$60.1 million related to the settlement of certain tax liabilities regarding BFI risk management companies. We expect to pay the remainder of the settlement, approximately \$67 million, later in 2010.
- During the comparative period, accounts payable decreased by \$133.0 million due primarily to the timing of payments for fixed asset purchases and other operating activities.
- During the comparative period, accounts receivable decreased by \$50.7 million due primarily to timing of collections.
- Cash paid for interest was approximately \$13.7 million higher during the three months ended March 31, 2010 than the comparable prior-year period primarily due to timing of payments.

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

Cash Flows Used in Investing Activities

The most significant items affecting the comparison of our investing cash flows for the periods presented are summarized below:

Capital expenditures. Capital expenditures during the three months ended March 31, 2010 were \$208.4 million, compared with \$193.4 million in the comparable prior-year period. During 2010, we expect our capital expenditures to approximate \$870 million. However, we expect property and equipment received during 2010 to be approximately \$790 million, which excludes \$80.1 million of property and equipment received during 2009 but paid for during 2010.

Change in restricted cash and marketable securities. Changes in our restricted cash and marketable securities balances, which are largely related to the issuance of tax-exempt bonds for our capital needs and amounts held in trust as a guarantee of performance, contributed \$18.6 million to our cash flow from investing activities during the three month period ended March 31, 2010 compared to \$19.2 million in the same period 2009. The funds received from issuances of tax-exempt bonds are deposited directly into trust accounts by the bonding authority at the time of issuance. As we do not have the ability to use these funds for general operating

purposes, they are classified as restricted cash in our consolidated balance sheets. Proceeds from bond issuances represent cash used in investing activities in our consolidated statements of cash flows. Reimbursements from the trust for qualifying expenditures are presented as cash provided by investing activities in our consolidated statements of cash flows.

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

Cash Flows Used in Financing Activities

The most significant items affecting the comparison of our cash flows from financing activities for the periods presented are summarized below:

Net debt repayments or borrowings. Proceeds from notes payable and long-term debt and issuance of senior notes net of payments of notes payable and long-term debt were \$32.5 million during the three month period ended March 31, 2010 versus net repayments of \$150.2 million in the comparable period of 2009. We used the net proceeds from the Notes as follows: (i) \$433.7 million to redeem the 6.125% senior notes due 2014 at a premium of 102.042% (\$425.0 million principal outstanding); (ii) \$621.8 million to redeem the 7.250% senior notes due 2015 at a premium of 103.625% (\$600.0 million principal outstanding); and (iii) the remainder to reduce amounts outstanding under our Credit Facilities and for general corporate purposes.

Premiums and fees paid to issue and retire senior notes. In connection with the issuance of our senior notes as well as purchasing and retiring certain indebtedness, in March 2010 we incurred cash premiums and fees totaling \$51.2 million.

Cash dividends paid. We initiated a quarterly cash dividend in July 2003. The dividend has been increased from time to time, with the latest increase occurring in the third quarter of 2008. Our current quarterly dividend per share is \$0.19. Dividends paid were \$72.4 million and \$72.0 million for the three months ended March 31, 2010 and 2009, respectively.

Financial Condition

As of March 31, 2010, we had \$81.4 million of cash and cash equivalents, and \$221.8 million of restricted cash deposits and restricted marketable securities, including \$89.0 million of restricted cash held for capital expenditures under certain debt facilities.

In April 2007, we increased our unsecured revolving credit facility from \$750.0 million to \$1.0 billion and extended the term from 2010 to 2012. In conjunction with the merger with Allied, in September 2008, we entered into an additional \$1.75 billion revolving credit facility with a group of banks. This credit facility was used initially at the time of the merger to refinance extensions of credit under Allied's senior credit facility, to pay fees and expenses in connection therewith, and to pay fees and expenses incurred in connection with the merger. We also amended our existing \$1.0 billion credit facility to conform certain terms of the facility to those included in our new \$1.75 billion credit facility. We did not change the maturity date of the \$1.0 billion credit facility.

The \$1.0 billion revolving credit facility due April 2012 and the \$1.75 billion revolving credit facility due September 2013 (collectively, Credit Facilities) bear interest at a Base Rate, or a Eurodollar Rate, plus an applicable margin based on our Debt Ratings, (all as defined in the agreements). As of March 31, 2010 and December 31, 2009, the interest rate for our borrowings under our Credit Facilities was 1.76% and 1.82%, respectively. Our Credit Facilities are also subject to facility fees based on applicable rates defined in the agreements and the aggregate commitments, regardless of usage. Borrowings under our Credit Facilities can be used for working capital, capital expenditures, letters of credit and other general corporate purposes. We had \$0.2 billion and \$0.3 billion of Eurodollar Rate borrowings, and \$1.6 billion of letters of credit utilizing availability under our Credit Facilities, leaving \$0.9 billion and \$0.8 billion of availability under our Credit Facilities at March 31, 2010 and December 31, 2009, respectively.

The agreements governing the Credit Facilities require us to comply with certain financial and other covenants. We have the ability to pay dividends and to repurchase common stock provided that we are in compliance with these covenants. Compliance with these covenants is a condition for any incremental borrowings under the Credit Facilities and failure to meet these covenants would enable the lenders to require repayment of any outstanding loans (which would adversely affect our liquidity). At March 31, 2010, our EBITDA to interest ratio was 3.89 compared to the 3.00 minimum required by the covenants. In addition, at March 31, 2010, our total debt to EBITDA ratio was 3.13 compared to the 4.00 maximum allowed by the covenants. At March 31, 2010, we were in compliance with the covenants of the Credit Facilities, and we expect to be in compliance during the remainder of 2010.

EBITDA, which is a non-GAAP measure, is calculated as defined in our Credit Facility agreements. In this context, EBITDA is used solely to provide information regarding the extent to which we are in compliance with debt covenants and is not comparable to EBITDA used by other companies or used by us for other purposes.

In March 2010, we issued \$850.0 million of 5.00% senior notes due 2020 (the 2020 Notes) and \$650.0 million of 6.20% senior notes due 2040 (the 2040 Notes, and, together with the 2020 Notes, the Notes). The Notes are general senior unsecured obligations and mature on March 1, 2020 (in the case of the 2020 Notes) and March 1, 2040 (in the case of the 2040 Notes). Interest is payable semi-annually on March 1 and September 1, beginning September 1, 2010. The Notes are guaranteed by each of our subsidiaries that also guarantee our Credit Facilities. These guarantees are general senior unsecured obligations of our subsidiary guarantors. In addition, in March 2010, we entered into a Registration Rights Agreement with the representatives of the initial purchasers of the Notes. Under the Registration Rights Agreement, we agreed to use our reasonable best efforts to cause to become effective a registration statement to exchange the Notes for freely tradable notes issued by us. If we are unable to effect the exchange offer by November 2010, we agreed to pay additional interest on the Notes.

We used the net proceeds from the Notes as follows: (i) \$433.7 million to redeem the 6.125% senior notes due 2014 at a premium of 102.042% (\$425.0 million principal outstanding); (ii) \$621.8 million to redeem the 7.250% senior notes due 2015 at a premium of 103.625% (\$600.0 million principal outstanding); and (iii) the remainder to reduce amounts outstanding under our Credit Facilities and for general corporate purposes. We incurred a loss of \$132.1 million for premiums paid to repurchase debt, charges for unamortized debt discounts and professional fees paid to effectuate the repurchase of the senior notes.

In March 2010, we repaid all borrowings and terminated our accounts receivable securitization program with two financial institutions that allowed us to borrow up to \$300.0 million on a revolving basis under loan agreements secured by receivables. During the three months ended March 31, 2010, we recorded a loss on extinguishment of debt of \$0.2 million related to unamortized deferred issuance costs associated with terminating this program.

In order to manage risk associated with fluctuations in interest rates, we have entered into interest rate swap agreements with investment grade-rated financial institutions. Our outstanding swap agreements have a total notional value of \$210.0 million and require us to pay interest at floating rates based on changes in LIBOR and receive interest at a fixed rate of 6.75%. Our swap agreements mature in August 2011.

At March 31, 2010, we had \$1,201.7 million of tax-exempt bonds and other tax-exempt financings. Borrowings under these bonds and other financings bear interest based on fixed or floating interest rates at the prevailing market ranging from 0.28% to 8.25% at March 31, 2010 and have maturities ranging from 2012 to 2037. As of March 31, 2010, we had \$89.0 million of restricted cash related to proceeds from tax-exempt bonds and other tax-exempt financings. This restricted cash will be used to reimburse capital expenditures under the terms of the agreements.

We intend to use excess cash on hand and cash from operating activities to repay debt, which may include purchases of our outstanding indebtedness in the secondary market or otherwise. We believe that our excess cash, cash from operating activities and proceeds from our revolving credit facilities provide us with sufficient financial resources to meet our anticipated capital requirements and obligations as they come due.

In the future we may choose to voluntarily retire certain portions of our outstanding debt before their maturity date using cash from operations or additional borrowings. We may also explore opportunities in capital markets to fund redemptions should market conditions be favorable. The early extinguishment of debt may result in an impairment charge in the period in which the debt is repurchased and retired. The loss on early extinguishment of debt relates to premiums paid to effectuate the repurchase and the relative portion of unamortized note discounts and debt issue costs.

Credit Rating

We have received investment grade credit ratings. As of March 31, 2010, our senior debt was rated BBB, Baa3, and BBB- by Standard & Poor's Rating Services, Inc., Moody's Investors Service, Inc. and Fitch, Inc., respectively.

Off-Balance Sheet Arrangements

We have no off-balance sheet debt or similar obligations, other than financial assurance instruments and operating leases that are not classified as debt. We do not guarantee any third-party debt.

Free Cash Flow

We define free cash flow, which is not a measure determined in accordance with U.S. GAAP, as cash provided by operating activities less purchases of property and equipment, plus proceeds from sales of property and equipment as presented in our consolidated statements of cash flows.

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Our free cash flow for the three months ended March 31, 2010 and 2009 is calculated as follows (in millions):

	Three Months Ended March 31,	
	2010	2009
Cash provided by operating activities	\$ 299.1	\$ 512.4
Purchases of property and equipment	(208.4)	(193.4)
Proceeds from sales of property and equipment	5.9	4.9
Free cash flow	<u>\$ 96.6</u>	<u>\$ 323.9</u>

For a discussion of the changes in the components of free cash flow, you should read our discussion regarding *Cash Flows Provided By Operating Activities and Cash Flows Used In Investing Activities* contained elsewhere herein.

Purchases of property and equipment as reflected in our consolidated statements of cash flows and as presented in the free cash flow table above represent amounts paid during the period for such expenditures. A reconciliation of property and equipment reflected in the consolidated statements of cash flows to property and equipment received during the three months ended March 31, 2010 and 2009 is as follows (in millions):

	Three Months Ended March 31,	
	2010	2009
Purchases of property and equipment per the unaudited consolidated statements of cash flows	\$ 208.4	\$ 193.4
Adjustments for property and equipment received during the prior period but paid for in the following period, net	(80.1)	(45.0)
Property and equipment received during the period	<u>\$ 128.3</u>	<u>\$ 148.4</u>

The adjustments noted above do not affect our net change in cash and cash equivalents as reflected in our consolidated statements of cash flows.

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 received, plus proceeds from sales 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, maintaining our investment grade rating and minimizing debt, paying cash dividends, and maintaining and improving our market position through business optimization. In addition, free cash flow is a key metric used to determine compensation. The presentation of free cash flow has material limitations. 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.

Contingencies

For a description of our commitments and contingencies, see Note 8, *Income Taxes*, and Note 13, *Commitments and Contingencies*, to our consolidated financial statements included under Item 1 of this Form 10-Q.

Critical Accounting Judgments and Estimates

We identified and discussed our critical accounting judgments and estimates in our Annual Report on Form 10-K for the year ended December 31, 2009. Although we believe that our estimates and assumptions are reasonable, they are based upon information available at the time the judgment or estimate is made. Actual results may differ significantly from estimates under different assumptions or conditions.

New Accounting Standards

For a description of the new accounting standards that affect us, see Note 1, *Basis of Presentation and Recently Issued Accounting Pronouncements*, to our consolidated financial statements included under Item 1 of this Form 10-Q.

Disclosure Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains certain forward-looking information about us that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as “expect,” “will,” “may,” “anticipate,” “could” and similar expressions are intended to identify forward-looking statements. These statements include statements about the expected benefits of the merger and our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that the expectations will prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

- the impact on us of our substantial post-merger indebtedness, including our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements and the fact that any downgrade in our bond ratings could adversely impact us;
- general economic and market conditions including, but not limited to, the current global economic and financial market crisis, inflation and changes in commodity pricing, fuel, labor, risk and health insurance and other variable costs that are generally not within our control, and our exposure to credit and counterparty risk;
- whether our estimates and assumptions concerning our selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, and projected costs and expenses related to our landfills and property and equipment (including our estimates of the fair values of the assets and liabilities acquired in our acquisition of Allied), and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate;
- competition and demand for services in the solid waste industry;
- the fact that price increases or changes in commodity prices may not be adequate to offset the impact of increased costs, including but not limited to labor, third-party disposal and fuel, and may cause us to lose volume;
- our ability to manage growth and execute our growth strategy;
- our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills;
- our ability to retain our investment grade ratings for our debt;
- our dependence on key personnel;
- our dependence on large, long-term collection, transfer and disposal contracts;
- the fact that our business is capital intensive and may consume cash in excess of cash flow from operations;
- that any exposure to environmental liabilities, to the extent not adequately covered by insurance, could result in substantial expenses;
- risks associated with undisclosed liabilities of acquired businesses;
- risks associated with pending and any future legal proceedings, including our matters currently pending with the Department of Justice and Internal Revenue Service;
- severe weather conditions, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;
- compliance with existing and future legal and regulatory requirements, including limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;
- any litigation, audits or investigations brought by or before any governmental body;

- workforce factors, including potential increases in our costs if we are required to provide additional funding to any multi-employer pension plan to which we contribute and the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;
- the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;
- changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies;
- acts of war, riots or terrorism, including the events taking place in the Middle East and the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the United States; and
- the timing and occurrence (or non-occurrence) of transactions and events which may be subject to circumstances beyond our control.

The risks included here are not exhaustive. Refer to “Part I, Item 1A — Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2009 for further discussion regarding our exposure to risks. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, nor to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Fuel Cost Risk

Fuel costs represent a significant operating expense. When economically practical, we may enter into new or renewal contracts, or engage in other strategies to mitigate market risk. Where appropriate, we have implemented a fuel recovery fee that is designed to recover our fuel costs. While we charge these fees to a majority of our customers, we are unable to charge such fees to all customers. Consequently, an increase in fuel costs results in (1) an increase in our cost of operations, (2) a smaller increase in our revenue (from the fuel recovery fee) and (3) a decrease in our operating margin percentage, since the increase in revenue is more than offset by the increase in cost. Conversely, a decrease in fuel costs results in (1) a decrease in our cost of operations, (2) a smaller decrease in our revenue and (3) an increase in our operating margin percentage.

At our current consumption levels, a one-cent change in the price of diesel fuel changes our fuel costs by approximately \$1.5 million on an annual basis, which would be partially offset by a smaller change in the fuel recovery fees charged to our customers. Accordingly, a substantial rise or drop in fuel costs could result in a material impact to our revenue and cost of operations.

Our operations also require the use of certain petroleum-based products (such as liners at our landfills) whose costs may vary with the price of oil. An increase in the price of oil could increase the cost of those products, which would increase our operating and capital costs. We are also susceptible to increases in indirect fuel surcharges from our vendors.

See Note 11, *Other Comprehensive Income and Financial Instruments*, of the notes to our unaudited consolidated financial statements for further discussion of our fuel hedges.

Recycling Commodities Price Risk

We sell recycled products such as cardboard and newspaper from our material recycling facilities. As a result, changes in the market prices of these items will impact our results of operations. Revenue from sales of recyclable materials during the three months ended March 31, 2010 and 2009 were approximately \$71.6 million and \$32.5 million, respectively.

See Note 11, *Other Comprehensive Income and Financial Instruments*, of the notes to our unaudited consolidated financial statements for further discussion of our recycling commodities hedges.

Interest Rate Risk

We are subject to interest rate risk on our variable rate long-term debt. From time to time, to reduce the risk from interest rate fluctuations, we have entered into interest rate swap contracts that have been authorized pursuant to our policies and procedures. We do not use financial instruments for trading purposes and are not a party to any leveraged derivatives.

At March 31, 2010, we had \$1.0 billion of floating rate debt and \$0.2 billion of floating interest rate swap contracts. If interest rates increased or decreased by 100 basis points, annualized interest expense and cash payments for interest would increase or decrease by approximately \$12 million. This analysis does not reflect the effect that interest rates would have on other items, such as new borrowings. See Note 7, *Debt*, of the notes to our consolidated financial statements for further information regarding how we manage interest rate risk.

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, as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), were effective as of the end of the period covered by this Quarterly Report.

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 1. LEGAL PROCEEDINGS.

We are involved in routine judicial and administrative proceedings that arise in the ordinary course of business and that relate to, among other things, personal injury or property damage claims, employment matters and commercial and contractual disputes. We are subject to federal, state and local environmental laws and regulations. Due to the nature of our business, we are also routinely a party to judicial or administrative proceedings involving governmental authorities and other interested parties related to environmental regulations or liabilities. From time to time, we may also be subject to actions brought by citizens' groups, adjacent landowners or others in connection with the permitting and licensing of our landfills or transfer stations, or alleging personal injury, environmental damage, or violations of the permits and licenses pursuant to which we operate.

We are subject to various federal, state and local tax rules and regulations. These rules are extensive and often complex, and we are required to interpret and apply them to our transactions. Positions taken in tax filings are subject to challenge by taxing authorities. Accordingly, we may have exposure for additional tax liabilities if, upon audit, any positions taken are disallowed by the taxing authorities.

Refer to Note 8, *Income Taxes* and Note 13, *Commitments and Contingencies*, for a discussion of certain proceedings against us. Although the ultimate outcome of any legal matter cannot be predicted with certainty, except as otherwise described in Note 8 or Note 13, we do not believe that the outcome of our pending litigation, environmental and other administrative proceedings will have a material adverse impact on our consolidated financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS.

There were no material changes during the three months ended March 31, 2010 in the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2009.

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

Beginning in 2000, our Board of Directors authorized the repurchase of up to \$2.6 billion of our common stock. As of March 31, 2010, we had paid \$2.3 billion to repurchase 82.6 million shares of our common stock. We suspended our share repurchase program in the second quarter of 2008 due to the pending merger with Allied. We expect that our share repurchase program will continue to be suspended until approximately 2011. The following table provides information relating to our purchases of shares of our common stock during the three months ended March 31, 2010:

	Total Number of Shares (or Units) Purchased (a)	Average Price Paid per Share
January 2010	—	\$ —
February 2010	—	\$ —
March 2010	1,352	\$ 28.71
	<u>1,352</u>	<u>\$ 28.71</u>

- (a) This amount represents shares withheld upon vesting of restricted stock to satisfy statutory minimum tax withholding obligations. We intend to continue to satisfy minimum tax withholding obligations in connection with the vesting of outstanding restricted stock through the withholding of shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. (REMOVED AND RESERVED)

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
4.1	Indenture, dated as of November 25, 2009, by and between the Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 25, 2009).
4.2	Second Supplemental Indenture, dated as of March 4, 2010, by and among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 4, 2010).
4.3	Third Supplemental Indenture, dated as of March 4, 2010, by and among the Company, the guarantors named therein and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated March 4, 2010).
4.4	Registration Rights Agreement, dated as of March 4, 2010, by and among the Company, the guarantors named therein and Banc of America Securities LLC, Barclays Capital Inc., J.P. Morgan Securities Inc. and UBS Securities LLC, as representatives of the several initial purchasers named therein (incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K dated March 4, 2010).
4.5*	Credit Agreement, dated as of September 18, 2008, by and among Republic Services, Inc., Bank of America, N.A., as administrative agent, swing line lender and l/c issuer, JPMorgan Chase Bank, N.A., as syndication agent, Barclays Bank PLC, BNP Paribas and The Royal Bank of Scotland PLC, as co-documentation agents, and the other lenders party thereto.
21.1*	Subsidiaries of the Company
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
101**	The following materials from Republic Services, Inc.'s Quarterly Report on Form 10-Q for the period ended March 31, 2010, formatted in XBRL (Extensible Business Reporting Language): (i) the consolidated Balance Sheets, (ii) the consolidated Statements of Income, (iii) the Consolidated Statements of Stockholders' Equity and Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text.

* Filed herewith

** This exhibit is being furnished rather than filed, and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

CREDIT AGREEMENT

Dated as of September 18, 2008

among

REPUBLIC SERVICES, INC.,

as the Borrower,

BANK OF AMERICA, N.A.,

as Administrative Agent, Swing Line Lender

and

L/C Issuer,

JPMORGAN CHASE BANK, N.A.,

as Syndication Agent

BARCLAYS BANK PLC,**BNP PARIBAS,**

and

THE ROYAL BANK OF SCOTLAND PLC,

as Co-Documentation Agents

and

The Other Lenders Party Hereto

BANC OF AMERICA SECURITIES LLC

and

J.P. MORGAN SECURITIES INC.,

as Joint Lead Arrangers and Joint Book Managers

THE BANK OF NOVA SCOTIA,**THE BANK OF TOKYO-MITUBISHI UFJ, LTD.,****SUNTRUST BANK,****UNION BANK OF CALIFORNIA, N.A.****UBS SECURITIES LLC**

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

as Senior Managing Agents

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EXHIBITS

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C	Note
D	Compliance Certificate
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F	Guaranty
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H	Report of Letter of Credit Information

CREDIT AGREEMENT

This CREDIT AGREEMENT (“Agreement”) is entered into as of September 18, 2008, among **REPUBLIC SERVICES, INC.**, a Delaware corporation (the “Borrower”), each lender from time to time party hereto (collectively, the “Lenders” and individually, a “Lender”), and **BANK OF AMERICA, N.A.**, as Administrative Agent, Swing Line Lender and an L/C Issuer.

The Borrower has requested that the Lenders provide a revolving credit facility, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“Acquired Plan” means any Plan which was originally established and maintained by a Person other than the Borrower or an ERISA Affiliate and which became, or hereafter becomes, a Plan as a result of an Acquisition by the Borrower or any Subsidiary.

“Acquisition” means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or substantially all of the assets of a Person, or of all or substantially all of any business or division of a Person, (b) the acquisition of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person (other than a Person that is a Subsidiary) provided that the Borrower or the Subsidiary is the surviving entity.

“Administrative Agent” means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Administrative Agent’s Office” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 10.02, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in substantially the form of Exhibit E-2 or any other form approved by the Administrative Agent.

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aggregate Commitments” means the Commitments of all the Lenders.

“Agreement” means this Credit Agreement.

“Allied” means Allied Waste Industries, Inc., a Delaware corporation.

“Allied Acquisition” means the acquisition of Allied pursuant to the terms of the Merger Agreement.

“Allied Convertible Debt Indenture” means that certain Indenture dated as of April 20, 2004, between Allied and U.S. Bank National Association, as Trustee, including all amendments thereto and all supplements thereto.

“Allied Indentures” means, collectively, the Allied Convertible Debt Indenture, the AUNA Senior Notes Indenture and the Browning-Ferris Indenture.

“Allied Securitization Program” means the \$400,000,000 accounts receivable securitization available pursuant to (i) the Receivables Sale Agreement dated as of March 7, 2003, among AUNA and the other originators from time to time party thereto, collectively as Originators, and Allied Receivables Funding Incorporated, as Buyer; and (ii) the Second Amended and Restated Credit and Security Agreement dated as of May 30, 2008, among Allied Receivables Funding Incorporated, as Borrower, AUNA, as Servicer, Atlantic Asset Securitization LLC, as a Lender, Calyon New York Branch, as Lender Group Agent, the Conduit Lenders from time to time party thereto, the Liquidity Banks from time to time party thereto, the Lender Group Agents from time to time party thereto, and Calyon New York Branch, as Agent.

“Allied Unrestricted Subsidiary” means each Subsidiary of Allied set forth on Schedule 1.01(a), as such Schedule may be updated following the Effective Date but on or before the Initial Funding Date with the approval of the Administrative Agent.

“Applicable Percentage” means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender’s Commitment at such time. If the commitment of each Lender to make Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02 or if the Aggregate Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, from time to time, the following percentages per annum, based upon the Pricing Level for the highest Debt Rating of the Borrower, as set forth below:

Applicable Rate

<u>Pricing Level</u>	<u>Debt Ratings S&P/Moody's</u>	<u>For Facility Fee</u>	<u>For Eurodollar Rate Loans and Letters of Credit</u>	<u>For Base Rate Loans</u>
1	³ BBB+/Baa1	0.15%	1.10%	0.00%
2	BBB/Baa2	0.20%	1.30%	0.00%
3	BBB-/Baa3	0.30%	1.45%	0.00%
4	£ BB+/Ba1	0.50%	2.00%	0.50%

“Debt Rating” means, as of any date of determination, the debt rating of the Borrower’s non-credit-enhanced, senior unsecured long-term debt as determined by S&P and Moody’s (each a “Debt Rating”, and collectively, the “Debt Ratings”).

The applicable Debt Rating for determining the Pricing Level shall be the highest Debt Rating of the Borrower, provided, that (i) if the Debt Ratings differ by more than one level, then the Pricing Level that is one level higher than the Pricing Level of the lower Debt Rating shall apply; (ii) if the Borrower has only one Debt Rating, the Pricing Level of such Debt Rating shall apply; and (iii) if the Borrower does not have any Debt Rating, Pricing Level 4 shall apply.

Pricing Level 2 shall apply from the Effective Date until the Initial Funding Date. On the Initial Funding Date, the Applicable Rate shall be determined based upon the Debt Rating specified in the certificate delivered pursuant to Section 4.02(b)(v). Thereafter, each change in the Applicable Rate resulting from a publicly announced change in the Debt Rating shall be effective during the period commencing on the date of delivery by the Borrower to the Administrative Agent of notice thereof pursuant to Section 6.03 (or, if earlier, on the date that the Administrative Agent becomes aware of such public announcement) and ending on the date immediately preceding the effective date of the next such change.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means Banc of America Securities LLC and J.P. Morgan Securities Inc., each in its capacity as joint lead arranger and joint book manager.

“Assignee Group” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E-1 or any other form approved by the Administrative Agent.

“Attributable Indebtedness” means, with respect to any Person, on any date, (a) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease, and (b) in respect of any Securitization Transaction, the aggregate principal amount of obligations owed by such Person.

“Audited Financial Statements” means the audited consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2007, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of the Borrower and its Subsidiaries, including the notes thereto.

“Availability Period” means the period from the Effective Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Commitments pursuant to Section 2.06, (c) the date of termination of the commitment of each Lender to make Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02, and (d) May 15, 2009, if the Initial Funding Date has not occurred on or prior to such date.

“AWNA” means Allied Waste North America, Inc., a Delaware corporation.

“AWNA Senior Notes Indenture” means that certain Indenture dated as of December 23, 1998, among AWNA, Allied, various Subsidiaries of Allied, and U.S. Bank Trust Company, National Association, as Trustee, including all amendments thereto and all supplements thereto.

“Bank of America” means Bank of America, N.A. and its successors.

“Bankruptcy Code” means the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.).

“Base Rate” means for any day a fluctuating rate per annum equal to the higher of (a) the Federal Funds Rate plus 1/2 of 1% and (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate.” The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Committed Loan” means a Committed Loan that is a Base Rate Loan.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate.

“Borrower” has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning specified in Section 6.02.

“Borrowing” means a Committed Borrowing or a Swing Line Borrowing, as the context may require.

“Browning-Ferris” means Browning-Ferris Industries, LLC (f/k/a Browning-Ferris Industries, Inc.), a Delaware limited liability company.

“Browning-Ferris Indenture” means the Restated Indenture dated as of September 1, 1991, between Browning-Ferris and JPMorgan Chase Bank, N.A. (formerly Chase Bank of Texas, N.A.), as successor trustee to First City, Texas-Houston, N.A., including all amendments thereto and supplements thereto.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

“Canadian Dollars” means the lawful currency of Canada.

“Canadian L/C” means a Letter of Credit which is denominated in Canadian Dollars.

“Capital Lease” means, with respect to any Person, any lease of (or other agreement conveying the right to use) any real or personal property by such Person that, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of such Person.

“Cash Collateralize” has the meaning specified in Section 2.03(g).

“Cash Management Agreement” means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer and other cash management arrangements.

“Cash Management Bank” means any Person that, (a) at the time it enters into a Cash Management Agreement, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Cash Management Agreement, in each case in its capacity as a party to such Cash Management Agreement.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

“Change of Control” means an event or series of events by which:

(a) (i) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) other than any Gates Entity (as hereinafter defined) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person or group shall be deemed to have “beneficial ownership” of all securities that such person or group has the right to acquire whether

such right is exercisable immediately or only after the passage of time (such right, an “option right”), directly or indirectly, of more than 25% of the equity securities of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower (“Voting Securities”) on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) or (ii) any one or more of Cascade Investment, L.L.C. (“Cascade”), the Bill & Melinda Gates Foundation Trust (the “Trust”), any entity directly or indirectly owned or controlled by Cascade or the Trust, or any Person directly or indirectly controlling Cascade, the Trust or any such entity, or any trustee of any of the foregoing (collectively, the “Gates Entities”) becomes the “beneficial owner”, directly or indirectly, of Voting Securities of the Borrower sufficient to cause the aggregate “beneficial ownership” of Voting Securities of the Borrower by all of the Gates Entities to exceed 34% of the Voting Securities of the Borrower on a fully-diluted basis (and taking into account all such securities that the Gates Entities have the right to acquire pursuant to any option right); or

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body (excluding, in the case of both clause (ii) and clause (iii), any individual whose initial nomination for, or assumption of office as, a member of that board or equivalent governing body occurs as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors by any person or group other than a solicitation for the election of one or more directors by or on behalf of the board of directors).

“Code” means the Internal Revenue Code of 1986.

“Commitment” means, as to each Lender, its obligation to (a) make Committed Loans to the Borrower pursuant to Section 2.01, (b) purchase participations in L/C Obligations, and (c) purchase participations in Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“Committed Borrowing” means a borrowing consisting of simultaneous Committed Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

“Committed Loan” has the meaning specified in Section 2.01.

“Committed Loan Notice” means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

“Compliance Certificate” means a certificate substantially in the form of Exhibit D.

“Computation Period” means any period of four consecutive fiscal quarters ending on the last day of a fiscal quarter.

“Consolidated EBITDA” means, with respect to the Borrower and its Subsidiaries for any Computation Period, the sum of, without duplication, (a) Consolidated Net Income during such Computation Period, plus (b) the following, in each case to the extent deducted in computing Consolidated Net Income during such Computation Period: (i) Consolidated Interest Expense; (ii) taxes on income; (iii) amortization; (iv) depreciation; (v) environmental remediation charges associated with environmental conditions at the CountryWide Recycling and Disposal Facility as more particularly described in the Borrower’s Form 10-Q filed with the SEC on August 8, 2008 (not to exceed \$69,000,000 in the aggregate during all Computation Periods); (vi) reasonably documented costs and expenses incurred in connection with the Allied Acquisition (not to exceed \$50,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition); and (vii) reasonably documented transition costs in connection with the Allied Acquisition (not to exceed \$146,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition or \$36,000,000 in the twelve (12) month period after such first anniversary); provided, that, to the extent that any Acquisition has been consummated during a Computation Period, Consolidated EBITDA shall be computed on a pro forma basis in accordance with Article 11 of Regulation S-X of the SEC or in a manner otherwise approved by the Administrative Agent for the purpose of determining the Total Debt to EBITDA Ratio.

“Consolidated Interest Coverage Ratio” means in respect of any Computation Period the ratio of (a) Consolidated EBITDA for such Computation Period to (b) Consolidated Interest Expense for such Computation Period.

“Consolidated Interest Expense” means, with respect to any Computation Period, the gross interest expense of the Borrower and its Subsidiaries, including, (i) the amortization of debt discounts, (ii) the amortization of all fees payable in connection with the incurrence of Indebtedness to the extent included in interest expense, (iii) the portion of any liabilities incurred in connection with Capital Leases allocable to interest expense and (iv) consolidated yield or discount accrued on the aggregate outstanding investment or claim held by purchasers, assignees or other transferees of (or of interests in) receivables of the Borrower and its Subsidiaries in connection with any Securitization Transaction (regardless of the accounting treatment of such Securitization Transaction).

“Consolidated Net Income” means, for any Computation Period, the gross revenues from operations of the Borrower and its Subsidiaries, less all operating and non-operating expenses of the Borrower and its Subsidiaries, including taxes on income but excluding all non-cash, nonrecurring charges and all extraordinary gains or losses.

“Consolidated Tangible Assets” means the consolidated total assets of the Borrower and its Subsidiaries but excluding goodwill, franchises, licenses, patents, trademarks, trade names, copyrights and any other intangible assets.

“Contingent Obligation” means, as to any Person, any direct or indirect liability of such Person, whether or not contingent, (a) with respect to any Indebtedness, lease, dividend, letter of credit or other obligation (the “primary obligations”) of another Person (the “primary obligor”), including any obligation of such Person (i) to purchase, repurchase or otherwise acquire such primary obligations or any security therefor, (ii) to advance or provide funds for the payment or discharge of any such primary obligation, or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency or any balance sheet item, level of income or financial condition of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (iv) otherwise to assure or hold harmless the holder of any such primary obligation against loss in respect thereof (each a “Guaranty Obligation”); (b) with respect to any Surety Instrument issued for the account of such Person or as to which such Person is otherwise liable for reimbursement of drawings or payments; or (c) to purchase any materials, supplies or other property from, or to obtain the services of, another Person if the relevant contract or other related document or obligation requires that payment for such materials, supplies or other property, or for such services, shall be made regardless of whether delivery of such materials, supplies or other property is ever made or tendered, or such services are ever performed or tendered. The amount of any Contingent Obligation shall (a) in the case of Guaranty Obligations, be deemed equal to the stated or determinable amount of the primary obligation in respect of which such Guaranty Obligation is made (subject to any limitation set forth in such guaranty) or, if not stated or if indeterminable, the maximum reasonably anticipated liability in respect thereof, and (b) in the case of other Contingent Obligations, be equal to the maximum reasonably anticipated liability in respect thereof.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Credit Extension” means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

“Debt Rating” has the meaning specified in the definition of “Applicable Rate.”

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the

United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate plus (iii) 2% per annum; provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate for Eurodollar Rate Loans plus 2% per annum.

“Defaulting Lender” means any Lender that (a) has failed to fund any portion of the Committed Loans, participations in L/C Obligations or participations in Swing Line Loans required to be funded by it hereunder within one Business Day of the date required to be funded by it hereunder unless such failure has been cured, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute or unless such failure has been cured, or (c) has been deemed insolvent or become the subject of a bankruptcy or insolvency proceeding.

“Dollar” and “\$” mean lawful money of the United States.

“Dollar Equivalent Amount” means, with respect to a Canadian Dollar amount, the amount of Dollars into which the Canadian Dollar amount would be converted, based on the applicable Exchange Rate.

“Domestic Subsidiary” means any Subsidiary that is organized under the laws of any political subdivision of the United States (for the avoidance of doubt, excluding Puerto Rico).

“Effective Date” means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 4.01 or 10.01.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 10.06(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

“Environmental Claims” means all written claims, however asserted, by any Governmental Authority or other Person alleging potential liability or responsibility for violation of any Environmental Law, or for release or injury to the environment.

“Environmental Laws” means all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a substantial cessation of operations which are treated as such a withdrawal; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate a Pension Plan under Section 4041(c) of ERISA, the termination of a Multiemployer Plan under 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an event or condition which might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate.

“Eurodollar Rate” means, for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the British Bankers Association LIBOR Rate (“BBA LIBOR”), as published by Reuters (or another commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then

the “Eurodollar Rate” for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which Dollar deposits for delivery on the first day of such Interest Period in immediately available funds in the approximate amount of the Eurodollar Rate Loan being made, continued or converted by Bank of America and with a term equivalent to such Interest Period would be offered by Bank of America’s London Branch (or another Bank of America branch or Affiliate) to major banks in the London or other offshore interbank market for Dollar deposits at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

“Eurodollar Rate Loan” means a Committed Loan that bears interest at a rate based on the Eurodollar Rate.

“Event of Default” has the meaning specified in Section 8.01.

“Exchange Act” means the Securities Exchange Act of 1934.

“Exchange Rate” means the Spot Rate of Exchange as of two Business Days preceding the Valuation Date.

“Excluded Subsidiary” means each Subsidiary set forth on Schedule 1.01(b) and each other Subsidiary that is approved from time to time as an Excluded Subsidiary by the Administrative Agent.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender, the L/C Issuers or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Borrower is located and (c) in the case of a Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 10.13), any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party hereto (or designates a new Lending Office) or is attributable to such Foreign Lender’s failure or inability (other than as a result of a Change in Law) to comply with Section 3.01(e), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 3.01(a).

“Existing Credit Facility” means the revolving credit facility pursuant to the Credit Agreement dated as of April 26, 2007, among the Borrower, Bank of America, as Administrative Agent, and the lenders party thereto, as amended.

“Existing Letters of Credit” means those standby letters of credit outstanding on the Initial Funding Date and set forth on Schedule 2.03 attached hereto, as such Schedule may be updated following the Effective Date with the approval of the Administrative Agent (such approval not to be unreasonably withheld, conditioned or delayed) to reflect standby letters of

credit issued after the Effective Date and before the Initial Funding Date at the request of the Borrower, Allied or any of their respective Subsidiaries by any institution that is or subsequently becomes an L/C Issuer hereunder.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

“Fee Letters” means (i) the letter agreement, dated July 22, 2008, among the Borrower, the Administrative Agent and the Arrangers, and (ii) the letter agreement, dated July 22, 2008, between the Borrower and the Administrative Agent.

“Foreign Lender” means any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“FRB” means the Board of Governors of the Federal Reserve System of the United States.

“Fund” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guaranteed Cash Management Agreement” means any Cash Management Agreement that is entered into by and between any Loan Party and any Cash Management Bank.

“Guaranteed Hedge Agreement” means any Swap Contract permitted under Article VII that is entered into by and between any Loan Party and any Hedge Bank.

“Guaranteed Parties” means, collectively, the Administrative Agent, the Lenders, the L/C Issuers, the Hedge Banks, the Cash Management Banks and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05.

“Guarantors” means, collectively, each Material Subsidiary, including (effective as of the day after the Initial Funding Date) Allied and each of its Subsidiaries that are Material Subsidiaries.

“Guaranty” means the Guaranty made by the Guarantors in favor of the Administrative Agent and the Guaranteed Parties, substantially in the form of Exhibit E, as supplemented from time to time by the execution and delivery of a Guaranty Joinder Agreement pursuant to Section 6.13.

“Guaranty Joinder Agreement” means each Guaranty Joinder Agreement, substantially in the form thereof attached to the Guaranty, executed and delivered by a Guarantor to the Administrative Agent pursuant to Section 6.13.

“Guaranty Obligation” has the meaning specified in the definition of Contingent Obligation.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Hedge Bank” means any Person that (a) at the time it enters into a Swap Contract permitted under Article VII, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Swap Contract, in each case in its capacity as a party to such Swap Contract.

“Indebtedness” means, for any Person, without duplication, (a) all indebtedness of such Person for borrowed money; (b) all obligations issued, undertaken or assumed by such Person as the deferred purchase price of property or services (other than trade payables entered into in the ordinary course of business on ordinary terms); (c) all reimbursement or payment obligations of such Person with respect to Surety Instruments; (d) all obligations of such Person evidenced by notes, bonds, debentures or similar instruments; (e) all indebtedness of such Person created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property); (f) all obligations of such Person with respect to Capital Leases; (g) Attributable Indebtedness; (h) all indebtedness of the types referred to in clauses (a) through (g) above secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property (including accounts and contracts rights) owned by such Person, even though such Person has not assumed or become

liable for the payment of such Indebtedness, provided that the amount of any such Indebtedness shall be deemed to be the lesser of the face principal amount thereof and the fair market value of the property subject to such Lien; and (i) all Guaranty Obligations of such Person in respect of Indebtedness of the types described above; provided that Indebtedness shall not include obligations arising out of the endorsement of instruments for deposit or collection in the ordinary course of business. For all purposes of this Agreement, the Indebtedness of any Person shall include all Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer (other than any such Indebtedness which is expressly non-recourse to such Person).

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Indemnitees” has the meaning specified in Section 10.04(b).

“Information” has the meaning specified in Section 10.07.

“Initial Funding Date” means the first date all the conditions precedent in Section 4.02 are satisfied or waived in accordance with Section 4.02 or 10.01.

“Initial Funding Date Material Adverse Effect” means, with respect to any Person, any change, event or occurrence that has a material adverse effect on the assets and liabilities (taken as a whole), financial condition or business of such Person and its Subsidiaries, taken as a whole; provided, however, that none of the following, or any change, event or occurrence resulting or arising from the following, shall constitute, or shall be considered in determining whether there has occurred, an Initial Funding Date Material Adverse Effect: (i) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates (provided that such conditions do not affect such Person or any of its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); (ii) changes in general legal, tax, regulatory, political or business conditions in the jurisdictions in which such Person or any of its Subsidiaries operates (provided that such conditions do not affect such Person or any of its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); (iii) general market or economic conditions in the industry in which such Person or any of its Subsidiaries operates (provided that such conditions do not affect such Person or any of its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); (iv) actions contemplated by the Merger Agreement (but, excluding from the definition of the Merger Agreement for the purposes of this definition, any amendments or waivers of any terms or conditions thereof); (v) the negotiation, execution, announcement, pendency or performance of the Merger Agreement or the transactions contemplated thereby, the consummation of the transactions contemplated by the Merger Agreement or any public communications by such Person or any of its Subsidiaries regarding the Merger Agreement or the transactions contemplated by the Merger Agreement, including, in any such case, the impact thereof on relationships, contractual or otherwise, with lenders, investors, venture partners or employees (provided that a negative impact on relationships with customers or vendors, taken as a whole, may be taken into account in determining whether an Initial Funding Date Material Adverse Effect has occurred); (vi) changes after the date of the Merger Agreement in applicable United States or foreign, federal, state or

local law or interpretations thereof (provided that such changes do not affect such Person and its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); (vii) changes in GAAP or the interpretation thereof; (viii) any action taken pursuant to or in accordance with the Merger Agreement or at the request or with the consent of the Borrower (in the case of Allied) or Allied (in the case of the Borrower) (it being agreed that the Borrower will not request that Allied or any Subsidiary take any action prohibited by any of clauses (i) through (vi) of Section 6.01(a) of the Merger Agreement without the prior written consent of the Administrative Agent); (ix) any failure by such Person to meet any projections, guidance, estimates, forecasts or milestones or financial or operating predictions for or during any period ending (or for which results are released) on or after the date of the Merger Agreement (it being agreed that the facts and circumstances giving rise to such failure may be taken into account in determining whether an Initial Funding Date Material Adverse Effect has occurred); (x) any action, arbitration, proceeding, litigation or suit arising from or relating to the Allied Acquisition or the transactions contemplated by the Merger Agreement; (xi) a decline in the price of such Person's common stock (it being agreed that the facts and circumstances giving rise to such decline may be taken into account in determining whether an Initial Funding Date Material Adverse Effect has occurred); (xii) labor conditions in the industry in which such Person and its Subsidiaries operate (provided that such conditions do not affect such Person or any of its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); and (xiii) any natural disaster or other acts of God, acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any such acts of war, armed hostilities, sabotage or terrorism threatened or underway as of the date of the Merger Agreement (provided that such conditions do not affect such Person or any of its Subsidiaries, taken as a whole, in a materially disproportionate manner as compared to other companies operating in the same industry); and provided, in the event any such change, event or occurrence identified in clause (i), (ii), (iii), (vi), (xii) or (xiii) does adversely affect such Person or its Subsidiaries in a materially disproportionate manner (after giving effect to the impact of such change, event or occurrence at the level of impact generally experienced by other companies operating in the same industry), such change, event or occurrence shall be considered in determining whether an Initial Funding Date Material Adverse Effect has occurred only to the extent of the disproportionate impact on such Person and its Subsidiaries, taken as a whole.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case undertaken under any U.S. Federal, state or foreign law, including the Bankruptcy Code.

"Interest Payment Date" means, (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan (including a Swing Line Loan), the last Business Day of each March, June, September and December and the Maturity Date.

“Interest Period” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one week (if offered by all Lenders) or one, two, three or six months (or nine or twelve months, if offered by all Lenders) thereafter, as selected by the Borrower in its Committed Loan Notice; provided that:

(i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(iii) no Interest Period shall extend beyond the scheduled Maturity Date.

“IRS” means the United States Internal Revenue Service.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“Issuer Documents” means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by an L/C Issuer and the Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to any such Letter of Credit.

“Laws” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, regulations, ordinances, codes and administrative or judicial determinations, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all administrative orders, licenses and authorizations of any Governmental Authority applicable to Borrower and permits of, and agreements with, any Governmental Authority, applicable to Borrower, any Lender or the Administrative Agent.

“L/C Advance” means, with respect to each Lender, such Lender’s funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage.

“L/C Borrowing” means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Committed Borrowing.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof (including any reinstatement pursuant to Section 2.03(b)(iv)).

“L/C Issuer” means Bank of America in its capacity as issuer of one or more Letters of Credit hereunder, together with (i) any replacement letter of credit issuer arising under Section 9.06 and (ii) any other Lender or any Affiliate of a Lender which has agreed in writing to become an “L/C Issuer” hereunder.

“L/C Obligations” means, as at any date of determination, the aggregate of the Dollar amount and, as applicable, the Dollar Equivalent Amount available to be drawn under all outstanding Letters of Credit plus the aggregate of the Dollar amount and, as applicable, the Dollar Equivalent Amount of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“Lender” has the meaning specified in the introductory paragraph hereto and, as the context requires, includes the Swing Line Lender.

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

“Letter of Credit” means any standby letter of credit issued hereunder (including any Canadian L/C issued pursuant to Section 2.03(a)(iv)) and shall include each Existing Letter of Credit.

“Letter of Credit Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

“Letter of Credit Expiration Date” means the day that is seven days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

“Letter of Credit Fee” has the meaning specified in Section 2.03(i).

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or other preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, the interest of a lessor under a Capital Lease, and any financing lease having substantially the same economic effect as any of the foregoing, but not including the interest of a lessor under an operating lease).

“Loan” means an extension of credit in Dollars by a Lender to the Borrower under Article II in the form of a Committed Loan or a Swing Line Loan.

“Loan Documents” means this Agreement, each Note, the Guaranty (including any Guaranty Joinder Agreement), each Issuer Document and the Fee Letters.

“Loan Parties” means, collectively, the Borrower and each Guarantor; provided that, with respect to the Specified Credit Agreement Representations on the Initial Funding Date and Sections 4.02 and 4.03, (i) Allied and each of its Subsidiaries that are Material Subsidiaries shall be deemed to be Loan Parties whether or not then Guarantors and (ii) all representations that refer to any Loan Document to which any Loan Party is a party shall include the execution and delivery of a Guaranty Joinder Agreement in escrow by Allied and each of its Subsidiaries that are Material Subsidiaries on the Initial Funding Date and the effectiveness thereof on the day after the Initial Funding Date.

“Margin Stock” means “margin stock” as such term is defined in Regulation T, U or X of the FRB.

“Material Adverse Effect” means a material adverse change in, or a material adverse effect upon, the operations, business, properties, assets or condition (financial or otherwise) of the Borrower and its Subsidiaries taken as a whole.

“Material Financial Obligation” means Indebtedness, Attributable Indebtedness, Contingent Obligations and obligations under Swap Contracts of the Borrower or any Subsidiary, and obligations of the Borrower or any Subsidiary in respect of any Securitization Transaction, in an aggregate amount (or, in the case of a Swap Contract, having a Swap Termination Value), for all such Indebtedness, Attributable Indebtedness, Contingent Obligations, obligations under Swap Contracts and obligations in respect of Securitization Transactions, but without duplication, equal to \$100,000,000 or more.

“Material Subsidiary” means, as of any date of determination (and, as of the Initial Funding Date, giving effect to the Allied Acquisition), each direct or indirect Domestic Subsidiary (other than an Excluded Subsidiary) that (a) has total assets (including Equity Interests in other Subsidiaries) equal to or greater than 5% of consolidated total assets of the Borrower and its Subsidiaries (calculated as of the end of the most recent fiscal period for which financial statements are available), or has revenues equal to or greater than 5% of the consolidated total revenues of the Borrower and its Subsidiaries (calculated for the most recent four-fiscal quarter period for which financial statements are available), (b) is designated by the Borrower as a Material Subsidiary, or (c) guarantees any Senior Note Indebtedness or Indebtedness issued pursuant to the Allied Convertible Debt Indenture. The Borrower shall from time to time promptly (and in any event within 30 days after the end of each fiscal period for which financial statements are available) designate one or more of its Subsidiaries as Material Subsidiaries to the extent necessary to cause such term to include Subsidiaries of the Borrower that, together with the Borrower and each other Material Subsidiary, have assets equal to not less than 98% of consolidated total assets of the Borrower and its Subsidiaries (calculated as of the end of the most recent fiscal period for which financial statements are available but excluding the assets of each Allied Unrestricted Subsidiary, each Securitization Subsidiary and any Republic Insurance Entity from such calculation) and revenues of not less than 98% of the consolidated total revenues of the Borrower and its Subsidiaries (calculated for the most recent four-fiscal quarter period for which financial statements are available but excluding the revenues of each Allied Unrestricted Subsidiary, each Securitization Subsidiary and any Republic Insurance Entity from such calculation). For the avoidance of doubt, the 98% calculation in the immediately preceding sentence shall include the Borrower’s assets and revenues only to the extent they do

not duplicate the assets and revenues of its Subsidiaries and, without limitation of the foregoing, the Borrower's Equity Interests in its Subsidiaries shall not be included in valuing the assets of the Borrower.

“Maturity Date” means September 18, 2013.

“Merger Agreement” means that certain Agreement and Plan of Merger dated as of June 22, 2008, among the Borrower, RS Merger Wedge, Inc. and Allied (including all schedules and exhibits thereto).

“Moody's” means Moody's Investors Service, Inc. and any successor thereto.

“Multiemployer Plan” means a “multiemployer plan”, within the meaning of Section 4001(a)(3) of ERISA, with respect to which the Borrower or any ERISA Affiliate may have any liability.

“Note” means a promissory note made by the Borrower in favor of a Lender evidencing Loans made by such Lender, substantially in the form of Exhibit C.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of any Loan Party arising under any Loan Document or otherwise with respect to any Loan, Letter of Credit, Guaranteed Cash Management Agreement or Guaranteed Hedge Agreement, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“Organization Documents” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Other Taxes” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

“Outstanding Amount” means (i) with respect to Committed Loans and Swing Line Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Committed Loans and Swing Line Loans, as the case may be,

occurring on such date; and (ii) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

“Participant” has the meaning specified in Section 10.06(d).

“PBGC” means the Pension Benefit Guaranty Corporation, or any Governmental Authority succeeding to any of its principal functions under ERISA.

“Pension Plan” means a pension plan (as defined in Section 3(2) of ERISA), subject to Title IV of ERISA, other than a Multiemployer Plan, with respect to which the Borrower or any ERISA Affiliate may have any liability.

“Permitted Liens” has the meaning specified in Section 7.02.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means an employee benefit plan (as defined in Section 3(3) of ERISA), other than a Multiemployer Plan, with respect to which the Borrower or any ERISA Affiliate may have any liability, and includes any Pension Plan.

“Plan Acquisition Date” means, with respect to any Acquired Plan, the first date on which the Borrower or any ERISA Affiliate may have any liability with respect to such Acquired Plan.

“Platform” has the meaning specified in Section 6.02.

“Public Lender” has the meaning specified in Section 6.02.

“Register” has the meaning specified in Section 10.06(c).

“Registered Public Accounting Firm” has the meaning specified in the Securities Laws and shall be independent of the Borrower as prescribed in the Securities Laws.

“Regulatory Divestiture” has the meaning specified in the Merger Agreement.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, counsel and attorneys-in-fact of such Person and of such Person’s Affiliates.

“Reportable Event” means, any of the events set forth in Section 4043(c) of ERISA or the regulations thereunder, other than any such event for which the 30-day notice requirement under ERISA has been waived in regulations issued by the PBGC.

“Republic Indenture” means that certain Indenture dated as of March 30, 2001 between the Borrower and The Bank of New York (now known as The Bank of New York Mellon), as Trustee, including all amendments thereto and supplements thereto.

“Republic Insurance Entity” means Bom Ambiente, Ltd., a Cayman Islands exempted company, Republic Services Risk Management, Inc., a Delaware corporation, RSG Cayman Group, Inc., a Delaware corporation, and each other Subsidiary formed in connection with any captive insurance program that, following the Effective Date, is approved from time to time as a Republic Insurance Entity by the Administrative Agent.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application, and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

“Required Lenders” means, as of any date of determination, Lenders having more than 50% of the Aggregate Commitments or, if the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, Lenders holding in the aggregate more than 50% of the Total Outstandings (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed “held” by such Lender for purposes of this definition); provided that the Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Requirement of Law” means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or of a Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Responsible Officer” means the chief executive officer, the president or any vice president of a Loan Party, or any other officer having substantially the same authority and responsibility; or, with respect to financial matters, the chief financial officer, the vice president-finance, the treasurer or any assistant treasurer of a Loan Party, or any other officer having substantially the same authority and responsibility; or, with respect to corporate offices and authority, the secretary or assistant secretary of a Loan Party or any other officer having the same authority and responsibility. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Cash” means that amount of cash of the Borrower and its Subsidiaries held by or pledged to trustees for industrial revenue bonds and tax-exempt financings that is included on the balance sheet of the Borrower, at any date of determination, in the line item “Restricted Cash.”

“Restricted Payment” means, as to any Person, any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of such Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to such Person’s stockholders, partners or members (or the equivalent Person thereof).

“RMI Subsidiaries” means, collectively, Browning-Ferris Industries Energy Systems of Boston, Inc., Browning-Ferris Industries Services Group, Inc., Browning-Ferris Industries Trans River (LP), Inc., Browning-Ferris Industries Energy Systems of Plymouth, Inc., Browning-Ferris Industries Europe, Inc., Browning-Ferris Industries of Asia Pacific, Inc., and Consolidated Processing, Inc.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

“Sarbanes Oxley” means the Sarbanes Oxley Act of 2002.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Securities Laws” means the Securities Act of 1933, the Securities Exchange Act of 1934, Sarbanes Oxley and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the SEC or the Public Company Accounting Oversight Board.

“Securitization Subsidiary” means (a) after the Initial Funding Date, Allied Receivables Funding Incorporated or (b) any special purpose, bankruptcy-remote Subsidiary of the Borrower that purchases accounts receivable, lease receivables or other payment obligations generated by the Borrower or any of its Subsidiaries in connection with any extension, renewal or refinancing of the Allied Securitization Program.

“Securitization Transaction” means any sale, assignment or other transfer by the Borrower or any Subsidiary (including, after the Initial Funding Date, the Allied Securitization Program and any extension, renewal or refinancing thereof) of accounts receivable, lease receivables or other payment obligations owing to the Borrower or any Subsidiary or any interest in any of the foregoing, together in each case with any collections and other proceeds thereof, any collection or deposit accounts related thereto, and any collateral, guaranties or other property or claims in favor of the Borrower or such Subsidiary supporting, securing or otherwise relating to any such receivables or other payment obligations.

“Senior Note Indebtedness” means any Indebtedness outstanding under any of the Senior Note Indentures.

“Senior Note Indentures” means, collectively, the Republic Indenture, the AUNA Senior Notes Indenture and the Browning-Ferris Indenture.

“Solvent” means, when used with respect to any Person, that at the time of determination:

(a) the fair value of its assets (both at fair valuation and at present fair saleable value on an orderly basis) is in excess of the total amount of its liabilities, including Contingent Obligations; and

(b) it is then able and expects to be able to pay its debts as they mature; and

(c) it has capital sufficient to carry on its business as conducted and as proposed to be conducted.

“Specified Credit Agreement Representations” means the representations and warranties set forth in Sections 5.01, 5.02 (limited, in the case of material Contractual Obligations in clause (b), to the Allied Indentures and the Allied Securitization Program), 5.03, 5.04, 5.08, 5.13 and 5.18.

“Specified Merger Agreement Representations” means the representations and warranties made by Allied to the Borrower in the Merger Agreement, in each case without giving effect to any consent or waiver by any party to the Merger Agreement to any exception thereto or deviation therefrom which is material to the interests of the Lenders (as determined by the Arrangers in their sole discretion), but only to the extent that the Borrower has the right to terminate its obligations (other than indemnity and other obligations expressed to survive any termination of the Merger Agreement) under the Merger Agreement or refuse to close the Allied Acquisition as a result of a breach of such representations and warranties in the Merger Agreement.

“Spot Rate of Exchange” means, in determining the Dollar Equivalent Amount of a specified Canadian Dollar amount as of any date, the spot exchange rate determined by the Administrative Agent in accordance with its usual procedures for the purchase by the Administrative Agent of Dollars with Canadian Dollars at approximately 10:00 A.M. on the Business Day that is two (2) Business Days prior to such date.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Surety Instruments” means all letters of credit (including standby and commercial), banker’s acceptances, bank guaranties, shipside bonds, surety bonds and similar instruments.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index

transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swing Line Borrowing” means a borrowing of a Swing Line Loan pursuant to Section 2.04.

“Swing Line Lender” means Bank of America in its capacity as provider of Swing Line Loans, or any successor swing line lender hereunder.

“Swing Line Loan” has the meaning specified in Section 2.04(a).

“Swing Line Loan Notice” means a notice of a Swing Line Borrowing pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B.

“Swing Line Sublimit” means an amount equal to the lesser of (a) \$100,000,000 and (b) the Aggregate Commitments. The Swing Line Sublimit is part of, and not in addition to, the Aggregate Commitments.

“Syndication Agent” means J.P. Morgan Securities Inc. in its capacity as syndication agent under any of the Loan Documents, or any successor syndication agent.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Total Debt” means, at any time, the sum (determined on a consolidated basis and without duplication) of all Indebtedness of the Borrower and its Subsidiaries, excluding contingent obligations with respect to Surety Instruments (other than any letter of credit issued for the account of the Borrower or any Subsidiary to support Indebtedness of a Person other than the Borrower or any Subsidiary).

“Total Debt to EBITDA Ratio” means in respect of any Computation Period the ratio of (a) Total Debt minus Restricted Cash, as at the end of such Computation Period, to (b) Consolidated EBITDA for such Computation Period.

“Total Outstandings” means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

“Type” means, with respect to a Committed Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

“Unfunded Pension Liability” means the excess of a Pension Plan’s benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan’s assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year.

“United States” and “U.S.” mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.03(c)(i).

“Valuation Date” means any of (i) the date of any Credit Extension, (ii) the date of any L/C Borrowing, and (iii) any other date when there are outstanding Canadian L/Cs that the Administrative Agent shall determine the Dollar Equivalent Amount of Canadian L/Cs.

“Wholly-Owned Subsidiary” means any Subsidiary in which (other than directors’ qualifying shares required by law) 100% of the capital stock, membership interests or other Equity Interests of each class having ordinary voting power, and 100% of the capital stock, membership interests or other Equity Interests of every other class, in each case, at the time as of which any determination is being made, is owned, beneficially and of record, by the Borrower, or by one or more of the other Wholly-Owned Subsidiaries, or both.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or

modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms. (a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein and without giving effect to any change in GAAP which would require the Borrower to "mark-for-market" its obligations under Swap Contracts (unless (i) the Borrower and the Required Lenders agree to give effect to such changes or (ii) the Borrower has recognized a gain or loss as a result of such Swap Contract).

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the

other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II. THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Committed Loans. Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans in Dollars (each such loan, a "Committed Loan") to the Borrower from time to time, on any Business Day on or after the Initial Funding Date and during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment; provided, however, that after giving effect to any Committed Borrowing, (i) the Total Outstandings shall not exceed the Aggregate Commitments, and (ii) the aggregate Outstanding Amount of the Committed Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Commitment. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01. Committed Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Committed Loans.

(a) Each Committed Borrowing, each conversion of Committed Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 1:00 p.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans, and (ii) on the requested date of any Borrowing of or conversion to Base Rate Committed Loans. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of \$10,000,000 or a whole multiple of \$1,000,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate

Committed Loans shall be in a principal amount of \$10,000,000 or a whole multiple of \$1,000,000 in excess thereof. Each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Committed Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Committed Loans to be borrowed, converted or continued, (iv) the Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Committed Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Committed Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. In the case of a Committed Borrowing, each Lender shall make the amount of its Committed Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 3:00 p.m. on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.03 (and, if such Borrowing is the initial Credit Extension, Section 4.02), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date the Committed Loan Notice with respect to such Borrowing is given by the Borrower, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrower as provided above.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Committed Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, unless the Administrative Agent otherwise consents, there shall not be more than fifteen Interest Periods in effect with respect to Committed Loans.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Initial Funding Date until the Letter of Credit Expiration Date, to issue Letters of Credit for the account of the Borrower or its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings properly drawn under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (y) the Total Outstandings shall not exceed the Aggregate Commitments and (z) the aggregate Outstanding Amount of the Committed Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Commitment. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto on the Initial Funding Date, and from and after the Initial Funding Date shall be subject to and governed by the terms and conditions hereof. The Borrower agrees to promptly notify the Administrative Agent of the designation of any Lender or Affiliate of a Lender as an L/C Issuer.

(ii) No L/C Issuer shall issue any Letter of Credit, if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than eighteen months after the date of issuance or last extension, unless the Required Lenders have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Lenders have approved such expiry date.

(iii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Initial Funding Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Initial Funding Date and which such L/C Issuer in good faith deems material to it (it being understood that the applicable L/C Issuer shall promptly notify the Borrower and the Administrative Agent of any of the foregoing events or circumstances);

(B) the issuance of such Letter of Credit would violate one or more applicable policies of such L/C Issuer;

(C) such Letter of Credit is to be denominated in a currency other than Dollars, or, only in the case of Bank of America as L/C Issuer, in a currency other than Dollars or Canadian Dollars; or

(D) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iv) On the terms and conditions set forth herein any L/C Issuer may issue upon request and for the account of the Borrower (or the applicable Subsidiary) a standby Canadian L/C. For purposes of determining L/C Obligations, any Canadian L/C shall be recorded in the Administrative Agent's account in Dollars based on the Dollar Equivalent Amount on the date of issuance of such Canadian L/C; provided, however, that the Administrative Agent shall determine the Dollar Equivalent Amount of any Canadian L/C on the Valuation Date for the purpose of determining L/C Obligations. Any draw on a Canadian L/C shall be repaid in Canadian Dollars in an amount equal to the amount of the draw in Canadian Dollars. If at any time there is a drawing under a Canadian L/C and the Borrower shall not promptly reimburse such drawing as provided in Section 2.3(c), the Borrower shall be obligated to immediately repay to the Administrative Agent for the benefit of the Lenders an amount in Dollars equal to the Dollar Equivalent Amount of the Canadian Dollars paid by the applicable L/C Issuer to the beneficiary of such Canadian L/C on the date of such drawing.

(v) No L/C Issuer shall amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(vi) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vii) Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included each L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to each L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit; Auto-Reinstatement Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the applicable L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower (or through such other procedures as may otherwise be approved by the applicable L/C Issuer and the Administrative Agent, including electronic communications in accordance with subsection 10.02(b)). Such Letter of Credit Application must be received by the applicable L/C Issuer and the Administrative Agent not later than 1:00 p.m. at least two Business Days (or such later date and time as such L/C Issuer may agree in its sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the applicable L/C Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the applicable L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the applicable L/C Issuer may reasonably require. Additionally, the Borrower shall furnish to the applicable L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the applicable L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, such L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the applicable L/C Issuer has received written notice from any Lender, the Administrative Agent or the Borrower, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, such L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower (or the applicable Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with such L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the applicable L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit such L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the applicable L/C Issuer, the Borrower shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that such L/C Issuer shall not permit any such extension if (A) such L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 4.03 is not then satisfied, and in each such case directing such L/C Issuer not to permit such extension.

(iv) If the Borrower so requests in any applicable Letter of Credit Application, an L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that permits the automatic reinstatement of all or a portion of the stated amount thereof after any drawing thereunder (each, an "Auto-Reinstatement Letter of Credit"). Unless otherwise directed by such L/C Issuer, the Borrower shall not be required to make a

specific request to such L/C Issuer to permit such reinstatement. Once an Auto-Reinstatement Letter of Credit has been issued, except as provided in the following sentence, the Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to reinstate all or a portion of the stated amount thereof in accordance with the provisions of such Letter of Credit. Notwithstanding the foregoing, if such Auto-Reinstatement Letter of Credit permits an L/C Issuer to decline to reinstate all or any portion of the stated amount thereof after a drawing thereunder by giving notice of such non-reinstatement within a specified number of days after such drawing (the "Non-Reinstatement Deadline"), such L/C Issuer shall not permit such reinstatement if it has received a notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Reinstatement Deadline (A) from the Administrative Agent that the Required Lenders have elected not to permit such reinstatement or (B) from the Administrative Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 4.03 is not then satisfied or that such reinstatement would violate the proviso to the first sentence of Section 2.03(a)(i) and, in each case, directing such L/C Issuer not to permit such reinstatement.

(v) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the applicable L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 1:00 p.m. on the date of any payment by the applicable L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrower shall reimburse such L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing; provided, that if any payment is made by an L/C Issuer after 1:00 p.m. on an Honor Date, such reimbursement shall occur not later than 1:00 p.m. on the first Business Day occurring after such Honor Date. If the Borrower fails to so reimburse the applicable L/C Issuer by such time, the Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Lender's Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested a Committed Borrowing of Base Rate Loans in Dollars to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount (or, in the case of any Unreimbursed Amount in respect of any Canadian L/C, in an amount equal to the Dollar Equivalent Amount of such Unreimbursed Amount), without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Aggregate Commitments and the conditions set forth in Section 4.03 (other than the delivery of a Committed Loan Notice). Any notice given by the applicable L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available to the Administrative Agent for the account of the applicable L/C Issuer at the Administrative Agent's Office in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 3:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the applicable L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Committed Borrowing of Base Rate Loans because the conditions set forth in Section 4.03 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to the Administrative Agent for the account of the applicable L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Lender funds its Committed Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the applicable L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Percentage of such amount shall be solely for the account of the applicable L/C Issuer.

(v) Each Lender's obligation to make Committed Loans or L/C Advances to reimburse the applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the applicable L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Committed Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.03 (other than delivery by the Borrower of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the applicable L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to the Administrative Agent for the account of the applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), such L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such L/C Issuer in accordance with banking

industry rules on interbank compensation. A certificate of the applicable L/C Issuer submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the applicable L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Applicable Percentage thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the applicable L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by such L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of such L/C Issuer its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Borrower to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the applicable L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the

transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the applicable L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by such L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will promptly notify the applicable L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the applicable L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the applicable L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the applicable L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the applicable L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of such L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against such L/C Issuer, and such L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by such L/C Issuer's willful misconduct or gross negligence or such L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing,

the applicable L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and such L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Cash Collateral. Upon the request of the Administrative Agent, (i) if the applicable L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations. Sections 2.05 and 8.02(c) set forth certain additional requirements to deliver Cash Collateral hereunder. For purposes of this Section 2.03, Section 2.05 and Section 8.02(c), “Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the applicable L/C Issuer and the Lenders, as collateral for the L/C Obligations, cash or deposit account balances pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the applicable L/C Issuer (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. The Borrower hereby grants to the Administrative Agent, for the benefit of the L/C Issuers and the Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash Collateral shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America.

(h) Applicability of ISP. Unless otherwise expressly agreed by the applicable L/C Issuer and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each Letter of Credit.

(i) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Applicable Percentage a Letter of Credit fee (the “Letter of Credit Fee”) for each Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit, or in the case of a Canadian L/C the Dollar Equivalent Amount of such daily amount available to be drawn under such Canadian L/C. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) computed on a quarterly basis in arrears and (ii) due and payable on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(j) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to each L/C Issuer for its own account a fronting fee with respect to each Letter of Credit issued by such L/C Issuer in an amount to be determined by the Borrower and the applicable L/C Issuer. Such fronting fee shall be due and payable in full by the Borrower to the applicable L/C Issuers, with respect to each Letter of Credit, quarterly in arrears on the last Business Day of each March, June, September and December commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, unless otherwise agreed with the applicable L/C Issuer, the Borrower shall pay directly to each L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(k) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(l) Reporting of Letter of Credit Information. For so long as any Letter of Credit issued by an L/C Issuer other than Bank of America is outstanding, such L/C Issuer shall deliver to the Administrative Agent on the last Business Day of each calendar month, and on each date that an L/C Credit Extension occurs with respect to any such Letter of Credit, a report in the form of Exhibit H hereto, appropriately completed with the information for every outstanding Letter of Credit issued by such L/C Issuer. The Administrative Agent shall deliver to the Lenders on a monthly basis a report of all outstanding Letters of Credit.

2.04 Swing Line Loans.

(a) The Swing Line. Subject to the terms and conditions set forth herein, the Swing Line Lender agrees, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, to make loans in Dollars (each such loan, a "Swing Line Loan") to the Borrower from time to time on any Business Day on or after the Initial Funding Date and during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit, notwithstanding the fact that such Swing Line Loans, when aggregated with the Applicable Percentage of the Outstanding Amount of Committed Loans and L/C Obligations of the Lender acting as Swing Line Lender, may exceed the amount of such Lender's Commitment; provided, however, that after giving effect to any Swing Line Loan, (i) the Total Outstandings shall not exceed the Aggregate Commitments, and (ii) the aggregate Outstanding Amount of the Committed Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Commitment, and provided, further, that the Borrower shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.04, prepay under Section 2.05, and reborrow under this Section 2.04. Each Swing Line Loan shall be deemed a Base Rate Loan notwithstanding anything to the contrary in Section 2.08(a)(iii) regarding the interest rate

applicable to such Swing Line Loan. Immediately upon the making of a Swing Line Loan, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Each Swing Line Borrowing shall be made upon the Borrower's irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by telephone. Each such notice must be received by the Swing Line Lender and the Administrative Agent not later than 3:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of \$1,000,000 or an integral multiple thereof, and (ii) the requested borrowing date, which shall be a Business Day. Each such telephonic notice must be confirmed promptly by delivery to the Swing Line Lender and the Administrative Agent of a written Swing Line Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Promptly after receipt by the Swing Line Lender of any telephonic Swing Line Loan Notice, the Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and, if not, the Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Lender) prior to 3:30 p.m. on the date of the proposed Swing Line Borrowing (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swing Line Lender will, not later than 4:00 p.m. on the borrowing date specified in such Swing Line Loan Notice, make the amount of its Swing Line Loan available to the Borrower at its office by crediting the account of the Borrower on the books of the Swing Line Lender in immediately available funds.

(c) Refinancing of Swing Line Loans.

(i) The Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of the Borrower (which hereby irrevocably authorizes the Swing Line Lender to so request on its behalf), that each Lender make a Base Rate Committed Loan in an amount equal to such Lender's Applicable Percentage of the amount of Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Committed Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Aggregate Commitments and the conditions set forth in Section 4.03. The Swing Line Lender shall furnish the Borrower with a copy of the applicable Committed Loan Notice promptly after delivering such notice to the Administrative Agent. Each Lender shall make an amount equal to its Applicable Percentage of the amount specified in such Committed Loan Notice available to the Administrative Agent in immediately available funds for the account of the Swing Line Lender at the Administrative Agent's Office not later than 3:00 p.m. on the day specified in such Committed Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan to the

Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Committed Borrowing in accordance with Section 2.04(c)(i), the request for Base Rate Committed Loans submitted by the Swing Line Lender as set forth herein shall be deemed to be a request by the Swing Line Lender that each of the Lenders fund its risk participation in the relevant Swing Line Loan and each Lender's payment to the Administrative Agent for the account of the Swing Line Lender pursuant to Section 2.04(c)(i), shall be deemed payment in respect of such participation.

(iii) If any Lender fails to make available to the Administrative Agent for the account of the Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swing Line Lender in accordance with banking industry rules on interbank compensation. A certificate of the Swing Line Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Lender's obligation to make Committed Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Swing Line Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Committed Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.03. No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Lender has purchased and funded a risk participation in a Swing Line Loan, if the Swing Line Lender receives any payment on account of such Swing Line Loan, the Swing Line Lender will distribute to such Lender its Applicable Percentage of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's risk participation was funded) in the same funds as those received by the Swing Line Lender.

(ii) If any payment received by the Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by the Swing Line Lender

under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Lender shall pay to the Swing Line Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the Swing Line Lender. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swing Line Lender. The Swing Line Lender shall be responsible for invoicing the Borrower for interest on the Swing Line Loans. Until each Lender funds its Base Rate Committed Loan or risk participation pursuant to this Section 2.04 to refinance such Lender's Applicable Percentage of any Swing Line Loan, interest in respect of such Applicable Percentage shall be solely for the account of the Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender.

2.05 Prepayments.

(a) The Borrower may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay Committed Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Administrative Agent not later than 1:00 p.m. (A) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (B) on the date of prepayment of Base Rate Committed Loans; (ii) any prepayment of Eurodollar Rate Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof; and (iii) any prepayment of Base Rate Committed Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding; provided that if any Borrowing of Base Rate Loans pursuant to Section 2.03(c)(i) results in the aggregate principal amount of Base Rate Loans not being an integral multiple of \$100,000, then the next prepayment of Base Rate Loans shall be in an amount that will cause the aggregate principal amount of all Base Rate Loans to be in an amount equal to an integral multiple of \$100,000. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Committed Loans to be prepaid and, if Eurodollar Rate Loans are to be repaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each such prepayment shall be applied to the Committed Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) The Borrower may, upon notice to the Swing Line Lender (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 3:00 p.m. on the date of the

prepayment, and (ii) any such prepayment shall be in a minimum principal amount of \$100,000 or an integral multiple thereof. Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(c) If for any reason the Total Outstandings at any time exceed the Aggregate Commitments then in effect, the Borrower shall immediately prepay Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(c) unless after the prepayment in full of the Loans the Total Outstandings exceed the Aggregate Commitments then in effect.

2.06 Termination or Reduction of Commitments. The Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Commitments, or from time to time permanently reduce the Aggregate Commitments; provided that (i) any such notice shall be received by the Administrative Agent not later than 1:00 p.m. three Business Days prior to the date of termination or reduction (except that if no Loans are outstanding hereunder and no Letters of Credit are issued and outstanding hereunder or the effectiveness of a new credit facility for the Borrower is conditioned on the termination of this Agreement, any notice terminating the Aggregate Commitments may be received on the date of termination), (ii) any such partial reduction shall be in an aggregate amount of \$10,000,000 or any whole multiple of \$1,000,000 in excess thereof, and (iii) the Borrower shall not terminate or reduce the Aggregate Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings would exceed the Aggregate Commitments; provided that the Borrower may terminate the Aggregate Commitments if all Loans have been paid in full, the Borrower has Cash Collateralized, or provided other support acceptable to the applicable L/C Issuer(s) for, all outstanding Letters of Credit, and there are no outstanding L/C Borrowings. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Commitments. Any reduction of the Aggregate Commitments shall be applied to the Commitment of each Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) The Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of Committed Loans outstanding on such date.

(b) The Borrower shall repay each Swing Line Loan on the earlier to occur of (i) the fourth Business Day following the giving of notice by the Swing Line Lender to the Borrower and (ii) the Maturity Date.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate

per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate; (ii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; and (iii) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate or such other rate as may be agreed to from time to time by the Borrower and the Swing Line Lender; provided that after any purchase by the Lenders of a participation in any Swing Line Loan, the rate of interest on such Swing Line Loan shall not be less than the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees. In addition to certain fees described in subsections (i) and (j) of Section 2.03:

(a) Facility Fee. The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Applicable Percentage, a facility fee equal to the Applicable Rate times the actual daily amount of the Aggregate Commitments (or, if the Aggregate Commitments have terminated, on the Outstanding Amount of all Committed Loans, Swing Line Loans and L/C Obligations), regardless of usage. The facility fee shall accrue at all times during the Availability Period (and thereafter so long as any Committed Loans, Swing Line Loans or L/C Obligations remain outstanding), including at any time during which one or

more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Effective Date, and on the Maturity Date (and, if applicable, thereafter on demand). The facility fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees.

(i) The Borrower shall pay to the Arrangers and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans when the Base Rate is determined by Bank of America's "prime rate" shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse

thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 3:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 3:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Committed Borrowing of Eurodollar Rate Loans (or, in the case of any Committed Borrowing of Base Rate Loans, prior to 2:00 p.m. on the date of such Committed Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Committed Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Committed Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Committed Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from the date such amount is made available to the Borrower to the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the

case of a payment to be made by the Borrower, the interest rate applicable to the applicable Borrowing. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Committed Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Committed Loan included in such Committed Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or such L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the applicable L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such L/C Issuer, in immediately available funds with interest thereon, for each day from the date such amount is distributed to it to the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Committed Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 10.04(c) are several and not joint. The failure of any Lender to make any Committed Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any

Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Committed Loans made by it, or the participations in L/C Obligations or in Swing Line Loans held by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Committed Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Committed Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Committed Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Committed Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than to the Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

2.14 Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to time, request an increase in the Aggregate Commitments by an amount (for all such requests) not exceeding \$500,000,000; provided that (i) any such request for an increase shall be in a minimum amount of \$100,000,000, (ii) the Borrower may make a maximum of five such requests, (iii) any such increased or additional Commitment shall be obtained from one or more existing Lenders (it being understood that no existing Lender shall be required to increase its Commitment) and/or other Persons that qualify as Eligible Assignees and (iv) no increase in the Aggregate Commitments shall increase the Swing Line Sublimit.

(b) Additional Lenders. Any Person that is to become a Lender pursuant to this Section 2.14 shall execute and deliver a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(c) Effective Date and Allocations. If the Aggregate Commitments are increased in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower and the Lenders of the Increase Effective Date and the Commitments and Applicable Percentages of the Lenders after giving effect thereto.

(d) Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of each Loan Party (i) certifying and attaching the resolutions adopted by the Loan Parties approving or consenting to such increase, and (ii) certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Article V are true and correct on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Section 2.14, the representations and warranties contained in subsection (a) of Section 5.11 shall be deemed to refer to the most recent statements furnished pursuant to clause (a) of Section 6.01, and (B) no Default exists. The Borrower shall prepay any Committed Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Committed Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Commitments under this Section.

(e) Conflicting Provisions. This Section shall supersede any provisions in Section 2.13 or 10.01 to the contrary.

ARTICLE III. TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) (i) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable Laws require the Borrower or the Administrative Agent to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Laws as determined by the Borrower or the Administrative Agent, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Borrower or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup

withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, the applicable Lender or the applicable L/C Issuer, as the case may be, receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Laws.

(c) Tax Indemnifications.

(i) Without limiting the provisions of subsection (a) or (b) above, the Borrower shall, and does hereby, indemnify the Administrative Agent, each Lender and each L/C Issuer, and shall make payment in respect thereof within 30 days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the Borrower or the Administrative Agent or paid by the Administrative Agent, such Lender or such L/C Issuer, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The Borrower shall also, and does hereby indemnify the Administrative Agent, and shall make payment in respect thereof within 30 days after demand therefor, for any amount which a Lender or an L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required by clause (ii) of this subsection. A certificate as to the amount of any such payment or liability delivered to the Borrower by a Lender or an L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or an L/C Issuer, shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, each Lender and each L/C Issuer shall, and does hereby, indemnify the Borrower and the Administrative Agent, and shall make payment in respect thereof within 30 days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the Borrower or the Administrative Agent) incurred by or asserted against the Borrower or the Administrative Agent by any Governmental Authority as a result of the failure by such Lender or such L/C Issuer, as the case may be, to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender or such L/C Issuer, as the case may be, to the Borrower or

the Administrative Agent pursuant to subsection (e). Each Lender and each L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or such L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due the Administrative Agent under this clause (ii). The agreements in this clause (ii) shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender or an L/C Issuer, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) Evidence of Payments. Upon request of the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Each Lender and each L/C Issuer shall deliver to the Borrower and to the Administrative Agent, at the time or times prescribed by applicable Laws or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower or the Administrative Agent, as the case may be, to determine (A) whether or not payments made hereunder or under any other Loan Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's or such L/C Issuer's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender or such L/C Issuer by the Borrower pursuant to this Agreement or otherwise to establish such Lender's or such L/C Issuer's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the Borrower is resident for tax purposes in the United States:

(A) Any Lender or any L/C Issuer that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender or such L/C Issuer is subject to backup withholding or information reporting requirements; and

(B) Each Foreign Lender, and each L/C Issuer that is a Foreign Lender, that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender or such L/C Issuer becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender or such L/C Issuer is legally entitled to do so), whichever of the following is applicable:

(I) executed originals of Internal Revenue Service Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(II) executed originals of Internal Revenue Service Form W-8ECI,

(III) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation;

(IV) in the case of a Foreign Lender or L/C Issuer claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender or such L/C Issuer is not (A) a “bank” within the meaning of section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Code and (y) executed originals of Internal Revenue Service Form W-8BEN, or

(V) executed originals of any other form prescribed by applicable Laws as a basis for claiming exemption from or a reduction in United States Federal withholding tax together with such supplementary documentation as may be prescribed by applicable Laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made;

(iii) Each Lender and each L/C Issuer shall promptly (A) notify the Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender or such L/C Issuer, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws of any jurisdiction that the Borrower or the Administrative Agent make any withholding or deduction for Taxes from amounts payable to such Lender or such L/C Issuer.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a

Lender or an L/C Issuer, or have any obligation to pay to any Lender or any L/C Issuer, any refund of Taxes withheld or deducted from the funds paid for the account of such Lender or such L/C Issuer, as the case may be. If the Administrative Agent, any Lender or any L/C Issuer determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses incurred by the Administrative Agent, such Lender or such L/C Issuer, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Administrative Agent, such Lender or such L/C Issuer, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Lender or such L/C Issuer in the event the Administrative Agent, such Lender or such L/C Issuer is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or any L/C Issuer to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person or to file for, or otherwise pursue on behalf of, the Borrower any refund of Taxes.

(g) Notwithstanding the foregoing provisions of this Section 3.01, (i) if any Lender fails to notify the Borrower of any event or circumstance which will entitle such Lender to compensation pursuant to this Section 3.01 within 60 days after such Lender obtains knowledge of such event or circumstance, then such Lender shall not be entitled to compensation from the Borrower for any amount arising prior to the date which is 60 days before the date on which such Lender notifies the Borrower of such event or circumstance; and (ii) the Borrower shall not be required to pay an additional amount to, or to indemnify, any Lender pursuant to this Section 3.01 to the extent that (x) the obligation to withhold or pay such amount existed on the Initial Date (as defined below) or (y) the obligation to withhold or pay such amount would not have arisen but for the failure of such Lender to comply with the provisions of subsection (e) above. For purposes of clause (ii) of the foregoing sentence "Initial Date" means (A) in the case of any Lender that is a signatory hereto, the date of this Agreement, (B) in the case of any Person which subsequently becomes a Lender hereunder, the date of the applicable Assignment and Assumption, and (C) in the case of any Participant, the date on which it becomes a Participant; provided, that the foregoing limitation shall not impair any availability of the indemnity provision above to the Administrative Agent or any L/C Issuer.

3.02 Illegality. If any Lender reasonably determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Eurodollar Rate Loans, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Base Rate Committed Loans to Eurodollar Rate Loans shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such

notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), at the Borrower's option, prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates. If for any reason in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof, (a) the Required Lenders or the Administrative Agent determines that (i) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, or (ii) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan, or (b) the Administrative Agent determines that the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Committed Borrowing of Base Rate Loans in the amount specified therein.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(e)) or any L/C Issuer;

(ii) subject any Lender or any L/C Issuer to any tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any participation in a Letter of Credit or any Eurodollar Rate Loan made by it, or change the basis of taxation of payments to such Lender or such L/C Issuer in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 3.01 and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender or such L/C Issuer); or

(iii) impose on any Lender or any L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Rate Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such L/C Issuer of participating in, issuing or

maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such L/C Issuer hereunder (whether of principal, interest or any other amount), then, upon request of such Lender or such L/C Issuer, the Borrower will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or any L/C Issuer determines that any Change in Law affecting such Lender or such L/C Issuer or any Lending Office of such Lender or such Lender's or such L/C Issuer's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or such L/C Issuer's capital or on the capital of such Lender's or such L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitment of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such L/C Issuer, to a level below that which such Lender or such L/C Issuer or such Lender's or such L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such L/C Issuer's policies and the policies of such Lender's or such L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer or such Lender's or such L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or such L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or such L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section, together with a brief explanation for the increased costs and the basis for the calculation thereof, and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or such L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or such L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or an L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than 60 days prior to the date that such Lender or such L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 60-day period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Reserves on Eurodollar Rate Loans. The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and

payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest shall be due and payable 10 days from receipt of such notice.

3.05 Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay or borrow any Loan or continue or convert any Eurodollar Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 10.13;

including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, the Borrower may replace such Lender in accordance with Section 10.13.

3.07 Survival. All obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV.
CONDITIONS PRECEDENT TO EFFECTIVENESS AND CREDIT EXTENSIONS

4.01 Conditions to Effectiveness of this Agreement. The effectiveness of this Agreement is subject to satisfaction of the following conditions precedent:

(a) The Administrative Agent's receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Effective Date (or, in the case of certificates of governmental officials, a recent date before the Effective Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement, sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower;

(ii) a Note executed by the Borrower in favor of each Lender requesting a Note; and

(iii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, any L/C Issuer, the Swing Line Lender or the Required Lenders reasonably may require.

(b) All accrued fees and expenses of the Administrative Agent, the Arrangers and the Lenders required to be paid on or before the Effective Date (including all reasonable fees and expenses of counsel for the Administrative Agent invoiced on or before such date) shall have been paid.

Without limiting the generality of the provisions of Section 9.04, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

4.02 Conditions to Initial Funding. The obligation of each L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to the satisfaction of the following conditions precedent:

(a) The Effective Date shall have occurred.

(b) The Administrative Agent's receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Initial Funding Date unless otherwise noted below (or, in the case of certificates of governmental officials, a recent date before the Initial Funding Date):

(i) (A) counterparts of the Guaranty duly executed by each Material Subsidiary of the Borrower (before giving effect to the Allied Acquisition), sufficient in number for distribution to the Administrative Agent and the Borrower, and (B) a Guaranty Joinder Agreement, duly executed by Allied and each of its Subsidiaries that are Material Subsidiaries (it being understood and agreed that such Guaranty Joinder Agreement is being delivered in escrow with irrevocable authorization to release such Guaranty Joinder Agreement to the Administrative Agent on the day after the Initial Funding Date and that such Guaranty Joinder Agreement shall be effective on the day after the Initial Funding Date);

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iii) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that each Loan Party is validly existing and in good standing in its jurisdiction of organization or formation;

(iv) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party, and the validity against such Loan Party, of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(v) a certificate signed by a Responsible Officer of the Borrower certifying (A) that the conditions specified in Sections 4.03(a) and (b) have been satisfied (including a certification as to the representations and warranties referenced therein), (B) that there has been no event, occurrence or development (including as a result of the continuation of any existing condition) since the date of the Audited Financial Statements that has had or could be reasonably expected to have, either individually or in the aggregate, an Initial Funding Date Material Adverse Effect, with respect to the Borrower or Allied, (C) as to the current Debt Ratings, (D) the accuracy of and attaching a proposed updated Schedule 2.03 for approval by the Administrative Agent (such approval not to be unreasonably conditioned, withheld or delayed), (E) the accuracy of and attaching a proposed updated parts (a) and (b) of Schedule 5.16 as of the Initial Funding Date and giving effect to the

Allied Acquisition for approval by the Administrative Agent (such approval not to be unreasonably conditioned, withheld or delayed), (F) the accuracy of and attaching a proposed updated Schedule 7.02 as of the Initial Funding Date to reflect Liens of Allied and its Subsidiaries for approval by the Administrative Agent (such approval not to be unreasonably conditioned, withheld or delayed), and (G) the accuracy of and attaching a proposed updated Schedule 7.06 as of the Initial Funding Date to reflect secured Indebtedness of Allied and its Subsidiaries for approval by the Administrative Agent (such approval not to be unreasonably conditioned, withheld or delayed);

(vi) within a reasonable time prior to the Initial Funding Date, (A) interim or, in the case of any fiscal year end occurring after the Effective Date, audited financial statements of each of the Borrower and its Subsidiaries and Allied and its Subsidiaries dated as of the end of the most recent fiscal quarter or fiscal year end, as the case may be, preceding the Initial Funding Date for which financial statements are available or are required to be filed with the SEC, which financial statements shall be substantially consistent with, and not materially worse than, the unaudited financial statements for each of the Borrower and Allied dated as of March 31, 2008, and (B) pro forma consolidated financial statements of the Borrower and its Subsidiaries giving effect to the Allied Acquisition as of the date of such interim or audited statements which are consistent in all material respects with the pro forma consolidated financial statements provided to the Arrangers on or before the Initial Funding Date and reflect synergies reasonably satisfactory to the Arrangers and Administrative Agent of at least \$150,000,000 (for avoidance of doubt, the synergies reflected in the pro forma consolidated financial statements provided to the Arrangers on June 17, 2008 are satisfactory to the Arrangers);

(vii) a certificate signed by a Responsible Officer of the Borrower certifying: (A) that neither the Merger Agreement (including any condition to the consummation of the Allied Acquisition) nor any other agreement, instrument, or document relating to the Allied Acquisition has been altered, amended, waived or otherwise changed or supplemented, in any respect materially adverse to the Lenders (as determined by the Arrangers in their sole discretion), except to the extent agreed to by prior written consent of the Arrangers; and (B) that the Allied Acquisition has been consummated prior to, or is being consummated substantially simultaneously with, the Initial Funding Date, in accordance with the terms of the Merger Agreement and such other agreements, instruments, and documents relating to the Allied Acquisition (only as amended, altered, waived or otherwise changed in compliance with subpart (A) of this clause (vii)), including, to the extent required by the Merger Agreement, in compliance with applicable Laws and regulatory approvals;

(viii) evidence reasonably satisfactory to Administrative Agent that (A) the consolidated capital structure of the Borrower (after giving effect to the Allied Acquisition and related transactions) is as described in the pro forma financial statements described in clause (b)(vi) above, and (B) the amount, tenor, ranking and other terms and conditions of any other equity and debt financings occurring in connection with the Allied Acquisition not previously disclosed to the Administrative Agent are reasonably satisfactory to it;

(ix) evidence reasonably satisfactory to Administrative Agent of (A) the receipt of all governmental, shareholder and third party consents and approvals necessary in connection with the Allied Acquisition and other transactions contemplated hereby, except to the extent the failure to receive such consent or approval could not reasonably be expected to have an Initial Funding Date Material Adverse Effect with respect to the Borrower and its Subsidiaries (including Allied and its Subsidiaries), taken as a whole; and expiration of all applicable waiting periods without any actual action being taken by any authority that (x) would require a Regulatory Divestiture that could reasonably be expected to cause a failure of the Borrower to meet the covenants set forth in Section 7.01 or (y) could restrain, prevent or impose any other material adverse conditions that reasonably could be expected to have an Initial Funding Date Material Adverse Effect on the Borrower and its Subsidiaries (including Allied and its Subsidiaries), taken as a whole, or the Allied Acquisition; (B) the absence of any law or regulation applicable to the Borrower and its Subsidiaries or Allied and its Subsidiaries, which, in the reasonable judgment of the Administrative Agent, could have an Initial Funding Date Material Adverse Effect on the Borrower and its Subsidiaries (including Allied and its Subsidiaries), taken as a whole; and (C) the absence of any action, suit, investigation or proceeding, pending or threatened in writing, in any court or before any governmental authority (x) that could reasonably be expected to restrain or prevent the Allied Acquisition or any of the transactions contemplated by this Agreement or the performance by the Borrower and its Subsidiaries (including Allied and its Subsidiaries) of their respective obligations under the Loan Documents or (y) involving any of the Borrower and its Subsidiaries (including Allied and its Subsidiaries) that could reasonably be expected to result in an Initial Funding Date Material Adverse Effect on the Borrower and its Subsidiaries (including Allied and its Subsidiaries), taken as a whole;

(x) satisfactory evidence that all outstanding Indebtedness described in Section 7.11(b) of the Merger Agreement (other than the Allied Securitization Program and the Existing Credit Facility) has been repaid or cancelled, all such documentation has been terminated and all guaranties, Liens and security interests associated therewith (including any Liens securing the Allied Indentures) have been released, or that reasonably adequate measures have been or concurrently with the Initial Funding Date are being taken to terminate such documentation and release such guaranties, Liens and security interests, except as otherwise agreed by Administrative Agent;

(xi) not more than thirty (30) days prior to the Initial Funding Date, confirmation satisfactory to the Arrangers that the Debt Ratings of the Borrower (after giving effect to the Allied Acquisition) will be either (A) BBB- or better by S&P, and Ba1 or better by Moody's, or (B) Baa3 or better by Moody's and BB+ or better by S&P;

(xii) favorable opinions of counsel to the Loan Parties addressed to Administrative Agent and each Lender as to the matters described in Exhibit G, in form and substance reasonably satisfactory to Administrative Agent;

(xiii) evidence of an effective amendment to the Existing Credit Facility that (A) adds pari passu guarantees of the obligations thereunder from the Guarantors (with

the guarantees from Allied and the relevant Subsidiaries thereof to become effective the day after the Initial Funding Date), (B) amends the pricing under the Existing Credit Facility to match the pricing set forth in this Agreement, (C) amends the leverage ratio maintenance covenant therein to conform to the levels applicable to this Agreement, and (D) amends such other matters as the Administrative Agent may reasonably determine for the purpose of making the terms of the Existing Credit Facility consistent with the terms of this Agreement (other than the maturity date thereof);

(xiv) a certificate signed by the Chief Financial Officer of the Borrower, in form and detail satisfactory to the Administrative Agent, (A) demonstrating, on a pro forma basis and after giving effect to the Allied Acquisition and the other transactions contemplated under this Agreement, that the Total Debt to EBITDA Ratio for the Computation Period most recently ended (or if such Computation Period ended less than thirty (30) days prior to the Initial Funding Date, for the prior Computation Period), does not exceed 3.50 to 1.00, and (B) certifying that the Borrower and its Subsidiaries, taken as a whole and after giving effect to the Allied Acquisition, are Solvent; and

(xv) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, any L/C Issuer, the Swing Line Lender or the Required Lenders reasonably may require.

(c) All accrued fees and expenses of the Administrative Agent, the Arrangers and the Lenders required to be paid on or before the Initial Funding Date (including all reasonable fees and expenses of counsel for the Administrative Agent invoiced on or before such date) shall have been paid.

(d) The Initial Funding Date shall have occurred on or before May 15, 2009.

Without limiting the generality of the provisions of Section 9.04, for purposes of determining compliance with the conditions specified in this Section 4.02, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the Initial Funding Date specifying its objection thereto.

4.03 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of (i) Borrower contained in Article V (subject, in the case of the representations and warranties made on the Initial Funding Date, to the limitation set forth in the last sentence of this Section 4.03(a)) and (ii) each Loan Party contained in each other Loan Document, or which are contained in any document furnished by any Loan Party at any time under or in connection herewith or therewith, shall be true and correct in all material respects (except, if a qualifier relating to materiality, Material Adverse Effect, Initial Funding Date Material Adverse Effect or a similar concept applies, such

representation or warranty shall be required to be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 4.03(a), the representations and warranties contained in Section 5.11(a) shall be deemed to refer to the most recent statements furnished pursuant to Section 6.01. Notwithstanding anything in this Agreement to the contrary, (i) the representations and warranties relating to Allied and its Subsidiaries made on the Initial Funding Date under Article V shall be limited to (x) the Specified Credit Agreement Representations and (y) the Specified Merger Agreement Representations (which are incorporated herein by reference), and (ii) the references to “Material Adverse Effect” in the representations made by the Borrower in clause (c) of Section 5.05 and in clause (b) of Section 5.11 on the Initial Funding Date shall be deemed to be a reference to “Initial Funding Date Material Adverse Effect”.

(b) No Default shall exist or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the applicable L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.03(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that:

5.01 Corporate Existence and Power. The Borrower and each of its Material Subsidiaries:

(a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization;

(b) has the power and authority and all governmental licenses, authorizations, consents and approvals (i) to own its assets and to carry on its business and (ii) to execute, deliver and perform its obligations under the Loan Documents to which it is a party;

(c) is duly qualified to do business in each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification; and

(d) is in compliance with all Requirements of Law;

except, in each case referred to in subclause (b)(i), clause (c) or clause (d), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Corporate Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate action, and do not and will not:

(a) contravene the terms of any of such Person's Organization Documents;

(b) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any material Contractual Obligation to which such Person or any of its Subsidiaries is a party or any order, injunction, writ or decree of any Governmental Authority to which such Person or any of its Subsidiaries or any of its or their property is subject; or

(c) violate any Requirement of Law.

5.03 Governmental Authorization. No approval, consent, exemption, authorization or other action by, or notice to, or filing with, any Governmental Authority (other than any of the foregoing which has been obtained or made and is in full force and effect) is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

5.04 Binding Effect. This Agreement and each other Loan Document constitute the legal, valid and binding obligations of each Loan Party, to the extent such Person is a party thereto, enforceable against such Person in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

5.05 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the best knowledge of the Borrower, threatened, at law, in equity, in arbitration or before any Governmental Authority, against the Borrower or any Subsidiary or any of their respective properties (a) which purport to affect or pertain to this Agreement or any other Loan Document, (b) as to which there exists a reasonable likelihood of an adverse determination, which determination would reasonably be expected to have a material adverse effect on the ability of the Borrower to pay and perform the Obligations, or (c) pertaining to the Allied Acquisition which could reasonably be expected to have a Material Adverse Effect. No injunction, writ, temporary restraining order or other order of any nature has been issued by any court or other Governmental Authority purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document, or directing that the transactions provided for herein or therein not be consummated as herein or therein provided.

5.06 No Default. No Default exists or would result from the incurring of any Obligations by any Loan Party. As of the Initial Funding Date, neither the Borrower nor any Subsidiary is in default under or with respect to any Contractual Obligation in any respect which, individually or together with all such defaults, could reasonably be expected to have a Material Adverse Effect.

5.07 ERISA Compliance. Except as specifically disclosed in Schedule 5.07:

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state law (or, in the case of an Acquired Plan, can be brought into such compliance without any material fine, penalty or other liability). Except for Acquired Plans with respect to which the failure to have received a qualification letter would not result in any material fine, penalty or other liability, each Plan which is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS (or will be submitted for a determination letter within the applicable remedial amendment period), and to the best knowledge of the Borrower, nothing has occurred which would cause the loss of such qualification. The Borrower and each ERISA Affiliate has made all required contributions to any Plan subject to Section 412 of the Code (except for contributions to Acquired Plans not made prior to the respective Plan Acquisition Dates and which do not in the aggregate exceed \$1,000,000 for any Acquired Plan), and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan.

(b) There are no pending or, to the best knowledge of Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan which has resulted or could reasonably be expected to result in a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan which has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred or is reasonably expected to occur which has resulted or could reasonably be expected to result in liability under Title IV of ERISA to the Borrower or any Subsidiary in an aggregate amount in excess of \$25,000,000; (ii) no contribution failure has occurred with respect to a Pension Plan sufficient to give rise to a Lien under Section 302(f) of ERISA; (iii) no Pension Plan has any Unfunded Pension Liability; (iv) neither the Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (v) to the best knowledge of the Borrower, neither the Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Section 4201 or 4243 of ERISA with respect to a Multiemployer Plan in an aggregate amount in excess of \$25,000,000; and (vi) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or 4212(c) of ERISA.

5.08 Use of Proceeds; Margin Regulations. The proceeds of the Loans will be used solely for the purposes set forth in and permitted by Section 6.12 and Section 7.08. Neither the Borrower nor any Subsidiary is generally engaged in the business of purchasing or selling Margin Stock or extending credit for the purpose of purchasing or carrying Margin Stock.

5.09 Title to Properties. The Borrower and each Subsidiary have good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of their respective businesses, except for such defects in title as could not, individually or in the aggregate, have a Material Adverse Effect. As of the Initial

Funding Date, the property of the Borrower and its Subsidiaries (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) is subject to no Liens, other than Permitted Liens.

5.10 Taxes. The Borrower and its Material Subsidiaries have filed all Federal and other material tax returns and reports required to be filed, and have paid all Federal and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against the Borrower or any Subsidiary that would, if made, have a Material Adverse Effect.

5.11 Financial Condition.

(a) The Audited Financial Statements:

(i) were prepared in accordance with GAAP consistently applied throughout the periods covered thereby, except as otherwise expressly noted therein;

(ii) fairly present the financial condition of the Borrower and its consolidated Subsidiaries as of the dates thereof and the results of operations for the periods covered thereby; and

(iii) show all material indebtedness and other liabilities, absolute or contingent, of the Borrower and its consolidated Subsidiaries as of the dates thereof, including liabilities for taxes and material Contingent Obligations.

(b) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

5.12 Environmental Matters. The Borrower conducts in the ordinary course of business a review of the effect of existing Environmental Laws and existing Environmental Claims on its business, operations and properties, and as a result thereof the Borrower has reasonably concluded that, except as specifically disclosed in Schedule 5.12, such Environmental Laws and Environmental Claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.13 Regulated Entities. None of the Borrower, any Person controlling the Borrower, or any Subsidiary is an "Investment Company" within the meaning of the Investment Company Act of 1940. The Borrower is not subject to any Federal or state statute or regulation limiting its ability to incur Indebtedness.

5.14 No Burdensome Restrictions. Neither the Borrower nor any Subsidiary is a party to or bound by any Contractual Obligation, or subject to any restriction in any Organization Document or any Requirement of Law, which could reasonably be expected to have a Material Adverse Effect.

5.15 Copyrights, Patents, Trademarks and Licenses, Etc. The Borrower or its Subsidiaries own or are licensed or otherwise have the right to use all of the material patents, trademarks, service marks, trade names, copyrights, contractual franchises, authorizations and other rights that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person, except to the extent failure to own, license or otherwise have the right to use any such item, or any such conflict, could not reasonably be expected to have a Material Adverse Effect. To the best knowledge of the Borrower, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by the Borrower or any Subsidiary, and which is material to the business or operations of the Borrower and its Subsidiaries, infringes upon any rights held by any other Person (excluding infringements which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect).

5.16 Subsidiaries. As of the Effective Date, the Borrower has no Subsidiaries other than those specifically disclosed in part (a) of Schedule 5.16 and has no equity investments in any other corporation or entity other than those specifically disclosed in part (b) of Schedule 5.16. The Material Subsidiaries as of the Effective Date are identified in part (a) of Schedule 5.16.

5.17 Insurance. The properties (except to the extent such property, individually or in the aggregate, is not material to the Borrower and its Subsidiaries) of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies (or are self-insured) in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Borrower or such Subsidiary operates.

5.18 Solvency. The Borrower and the Borrower and its Subsidiaries (including, on and after the Initial Funding Date, Allied and its Subsidiaries), taken as a whole, are Solvent after giving effect to the transactions contemplated by the Loan Documents.

5.19 Full Disclosure. The representations and warranties made by the Borrower and its Subsidiaries in the Loan Documents as of the date such representations and warranties are made or deemed made, and the statements contained in any exhibit, report, statement or certificate furnished by or on behalf of any Loan Party or any Subsidiary in connection with the Loan Documents, taken as a whole, do not contain any untrue statement of a material fact or omit any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading in any material respect as of the time when made or delivered.

ARTICLE VI. AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, unless the Required Lenders waive compliance in writing:

6.01 Financial Statements. The Borrower shall deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent and the Required Lenders, with sufficient copies for each Lender:

(a) as soon as available, but not later than 120 days after the end of each fiscal year, a copy of the audited consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such year (together with consolidating notes with respect to the Excluded Subsidiaries and other applicable consolidating information), setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, such consolidated financial statements to be accompanied by a report of Ernst & Young LLP or another nationally recognized Registered Public Accounting Firm (the "Independent Auditor"), which report shall be prepared in accordance with standards of the Public Company Accounting Oversight Board and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; provided that the reports delivered pursuant to this Section shall not be qualified or limited because of a restricted or limited examination by the Independent Auditor of any material portion of the Borrower's or any Subsidiary's records; and

(b) as soon as available, but not later than 60 days after the end of each of the first three fiscal quarters of each fiscal year (commencing with the fiscal quarter ending September 30, 2008), a copy of the unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such quarter and the related consolidated statements of income, shareholders' equity and cash flows for the period commencing on the first day and ending on the last day of such quarter (together with consolidating notes with respect to the Excluded Subsidiaries and other applicable consolidating information), and certified by a Responsible Officer of the Borrower as fairly presenting, in accordance with GAAP (subject to the absence of footnotes and to ordinary, good faith year-end audit adjustments), the financial position and the results of operations of the Borrower and its Subsidiaries as of such date and for such period.

6.02 Certificates; Other Information. The Borrower shall furnish to the Administrative Agent, with sufficient copies for each Lender:

(a) concurrently with the delivery of the financial statements referred to in subsections 6.01(a) and (b), a Compliance Certificate executed by a Responsible Officer of the Borrower;

(b) promptly after their becoming available, copies of all financial statements and reports that the Borrower sends to its shareholders, and copies of all financial statements and regular, periodic or special reports (including Forms 10K, 10Q and 8K) that the Borrower or any Subsidiary may make to, or file with, the SEC; and

(c) promptly, such additional information regarding the business, financial or corporate affairs of the Borrower or any Subsidiary as the Administrative Agent, at the request of any Lender, may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(b) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the earlier of (i) the date on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 10.02; and (ii) the date on which such documents are posted on the Borrower's behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender that requests the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent and each Lender of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (*i.e.*, soft copies) of such documents. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper copies of the Compliance Certificates required by Section 6.02(a) to the Administrative Agent (with sufficient copies for each Lender). Except for such Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC", the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers, the L/C Issuers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor"; and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor". Notwithstanding the foregoing, the Borrower shall be under no obligation to mark any Borrower Materials "PUBLIC".

6.03 Notices. The Borrower shall promptly notify the Administrative Agent and each Lender:

(a) of the occurrence of any Default known to the Borrower;

(b) of any matter that has resulted or is reasonably expected to result in a Material Adverse Effect, including:

(i) breach or non-performance of, or any default under, a Contractual Obligation of the Borrower or any Subsidiary;

(ii) any dispute, litigation, investigation, proceeding or suspension between the Borrower or any Subsidiary and any Governmental Authority; or

(iii) the commencement of, or any material development in, any litigation or proceeding affecting the Borrower or any Subsidiary, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any of the following events known to the Borrower which affect the Borrower or any ERISA Affiliate, and deliver to the Administrative Agent and each Lender a copy of any notice with respect to such event that is filed with a Governmental Authority and any notice delivered by a Governmental Authority to the Borrower or any ERISA Affiliate with respect to such event:

(i) an ERISA Event;

(ii) a contribution failure with respect to a Pension Plan sufficient to give rise to a Lien under Section 302(f) of ERISA;

(iii) a material increase in the Unfunded Pension Liability of any Pension Plan;

(iv) the adoption of, or the commencement of contributions to, any Pension Plan by the Borrower or any ERISA Affiliate; or

(v) the adoption of any amendment to a Pension Plan if such amendment results in a material increase in contributions or Unfunded Pension Liability; and

(d) of any material change in accounting policies or financial reporting practices by the Borrower and its consolidated Subsidiaries.

In addition, the Borrower shall promptly upon the issuance thereof, deliver to the Administrative Agent notice of any announcement by Moody's or S&P (i) of any change in any Debt Rating or (ii) that any Debt Rating will be put on a "negative outlook" or "negative credit watch."

Each notice under this Section shall be accompanied by a written statement by a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein, and stating what action the Borrower or any affected Subsidiary proposes to take with respect thereto. Each

notice under Section 6.03(a) shall describe with particularity any and all clauses or provisions of this Agreement or any other Loan Document that have been breached or violated.

6.04 Preservation of Corporate Existence, Etc. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to (provided that nothing in this Section 6.04 shall prevent the voluntary liquidation, dissolution or winding up, not under any bankruptcy or insolvency law, of any Subsidiary so long as no Event of Default exists and no Default will result therefrom):

(a) preserve and maintain in full force and effect its existence and good standing under the laws of its jurisdiction of organization (except in connection with transactions permitted by Section 7.04);

(b) preserve and maintain in full force and effect all governmental rights, privileges, qualifications, permits, licenses and franchises necessary or desirable in the normal conduct of its business (except in connection with transactions permitted by Section 7.04 and sales of assets permitted by Section 7.03);

(c) use reasonable efforts, in the ordinary course of business, to preserve its business organization and goodwill (except in connection with transactions permitted by Section 7.04); and

(d) preserve or renew all of its registered patents, trademarks, trade names and service marks;

except, in the case of clauses (b), (c) and (d) above, to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.05 Maintenance of Property. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, maintain and preserve all its property which is used or useful in its business in good working order and condition, ordinary wear and tear excepted, except to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect.

6.06 Insurance. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, maintain, with financially sound and reputable independent insurers (or pursuant to a self-insurance program), insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons.

6.07 Tax Obligations. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, pay and discharge, as the same shall become due and payable all material tax liabilities, assessments and governmental charges or levies upon it or its properties or assets unless the same are being contested in good faith by appropriate proceedings and adequate reserves in accordance with GAAP are being maintained by the Borrower or such Subsidiary.

6.08 Compliance with Laws; Contractual Obligations. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, comply with (i) any Requirements of Law of any Governmental Authority having jurisdiction over it or its business (including the Federal Fair Labor Standards Act) and (ii) any Contractual Obligation (other than any Contractual Obligation pertaining to Indebtedness) to which it is bound, in both cases the non-compliance with which could reasonably be expected to have a Material Adverse Effect.

6.09 Compliance with ERISA. The Borrower shall, and shall cause each of its ERISA Affiliates to: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state law; (b) cause each Plan which is qualified under Section 401(a) of the Code to maintain such qualification; and (c) make all required contributions to any Plan subject to Section 412 of the Code, it being understood that any non-compliance with clause (a), (b) or (c) with respect to an Acquired Plan existing on the Plan Acquisition Date for such Acquired Plan shall not constitute a violation of this Section 6.09 so long as (i) the Borrower is diligently proceeding to remedy such non-compliance and (ii) such non-compliance will not result in any material fine, penalty or other liability.

6.10 Inspection of Property and Books and Records. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, maintain proper books of record and account, in which full, true and correct entries (sufficient to permit the preparation of consolidated financial statements in conformity with GAAP) shall be made of all financial transactions and matters involving the assets and business of the Borrower and such Subsidiary. The Borrower shall permit, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to permit, the Administrative Agent, any Lender or their respective representatives (in each case at such Person's own expense unless an Event of Default exists), upon reasonable notice at any reasonable time during normal business hours and from time to time at the request of the Administrative Agent or the relevant Lender, to visit and inspect the properties of the Borrower or any Subsidiary (and, if (i) any Default exists and has been continuing for 15 days or (ii) any Event of Default exists, to make copies or abstracts of their respective corporate, financial and operating records), and to examine the properties and books and records of the Borrower and its Subsidiaries and to discuss the affairs, finances and accounts of the Borrower or any Subsidiary with the appropriate officers, employees or authorized agents of the Borrower or such Subsidiary.

6.11 Environmental Laws. The Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, conduct its operations and keep and maintain its property in material compliance with all material Environmental Laws. Without limiting the foregoing, the Borrower shall, and shall cause each Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, (i) maintain all material operating permits for all landfills now owned or hereafter acquired; and (ii) dispose of hazardous waste only at licensed disposal facilities operating, to the best of the Borrower's or the applicable Subsidiary's knowledge after reasonable inquiry, in material compliance with all material Environmental Laws.

6.12 Use of Proceeds. The Borrower shall use the proceeds of the Loans (i) to repay the Indebtedness described in Section 4.02(b)(x) and for the payment of all fees and expenses in connection therewith, (ii) to pay fees and expenses incurred in connection with the Allied Acquisition, and (iii) for working capital, capital expenditures, letters of credit and other general corporate purposes not in contravention of any Requirement of Law or of any Loan Document; provided that the Borrower shall not use the proceeds of any Loan to acquire any Person if the board of directors of the Person to be acquired has not approved such Acquisition.

6.13 Additional Guarantors. The Borrower shall notify the Administrative Agent at the time that any Person is designated as or becomes a Material Subsidiary, and promptly thereafter (and in any event within thirty (30) days), cause such Person to (a) become a Guarantor by executing and delivering to the Administrative Agent a counterpart of the Guaranty, a Guaranty Joinder Agreement or such other document as the Administrative Agent shall deem appropriate for such purpose and (b) deliver to the Administrative Agent documents of the types referred to in clauses (ii) and (iii) of Section 4.02(b) and favorable opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in clause (a)), all in form, content and scope reasonably satisfactory to the Administrative Agent.

ARTICLE VII. NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, unless the Required Lenders waive compliance in writing:

7.01 Financial Condition Covenants.

(a) Consolidated Interest Coverage Ratio. The Borrower shall not permit the Consolidated Interest Coverage Ratio as of the last day of any fiscal quarter to be less than 3.00 to 1.00.

(b) Maximum Total Debt to EBITDA Ratio. The Borrower shall not permit the Total Debt to EBITDA Ratio as of the end of any fiscal quarter to be greater than (i) 4.00 to 1.00 for any Computation Period on or before March 31, 2010, or (ii) 3.25 to 1.00 for any Computation Period thereafter.

7.02 Limitation on Liens. The Borrower shall not, and shall not suffer or permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, directly or indirectly, make, create, incur, assume or suffer to exist any Lien upon or with respect to any part of its property, whether now owned or hereafter acquired, other than the following ("Permitted Liens"):

(a) any Lien set forth in Schedule 7.02 (as such Schedule may be updated on the Initial Funding Date), and any extension, renewal or replacement of any such Lien so long as the

principal amount secured thereby is not increased and the scope of the property subject to such Lien is not extended;

(b) Liens imposed by law for taxes, assessments or charges of any Governmental Authority for claims not yet due or which are being contested in good faith by appropriate proceedings diligently pursued and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and other Liens imposed by law or created in the ordinary course of business and in existence less than 120 days from the date of creation thereof for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(d) Liens (other than any Lien imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;

(e) Liens on the property of the Borrower or any Subsidiary securing (i) the non-delinquent performance of bids, trade contracts (other than for borrowed money), leases and statutory obligations, (ii) surety bonds (excluding appeal bonds and other bonds posted in connection with court proceedings or judgments) and (iii) other non-delinquent obligations of a like nature in each case incurred in the ordinary course of business, provided all such Liens in the aggregate would not (even if enforced) cause a Material Adverse Effect;

(f) Liens consisting of judgment or judicial attachment liens and liens securing contingent obligations on appeal bonds and other bonds posted in connection with court proceedings or judgments, provided that (i) in the case of judgment and judicial attachment liens, the enforcement of such Liens is effectively stayed and (ii) all such Liens in the aggregate at any time outstanding for the Borrower and its Subsidiaries do not exceed \$100,000,000;

(g) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, individually or in the aggregate, do not materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the businesses of the Borrower and its Subsidiaries;

(h) Liens securing obligations in respect of Capital Leases and purchase money financings on assets subject to such leases or financings to the extent such Capital Leases and purchase money financings are otherwise permitted by Section 7.06(b);

(i) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; provided that (i) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Borrower in excess of those set forth by regulations promulgated by the FRB, and (ii) such deposit account is not intended by the Borrower or any Subsidiary to provide collateral to the depository institution;

(j) Liens on the rights of the Borrower or any Subsidiary in bonds issued in connection with revenue bond financings in favor of any issuer of a letter of credit used to provide security for the payment of such bonds; and

(k) other Liens, in addition to those permitted by clauses (a) through (j), securing Indebtedness or arising in connection with Securitization Transactions; provided that (x) the sum (without duplication) of all such Indebtedness, plus the aggregate investment or claim held at any time by all purchasers, assignees or other transferees of (or of interests in) receivables and other rights to payment in all Securitization Transactions (other than the Allied Securitization Program or any extension, renewal or refinancing thereof) shall not at any time exceed \$75,000,000 in aggregate outstanding amount, and (y) the aggregate principal balance owed under the Allied Securitization Program or any extension, renewal or refinancing thereof, shall not at any time exceed \$400,000,000 in aggregate outstanding amount.

7.03 Disposition of Assets. The Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, directly or indirectly, sell, assign, lease, convey, transfer or otherwise dispose of (whether in one or a series of transactions) any property (including accounts and notes receivable, with or without recourse) or enter into any agreement to do any of the foregoing (including any sale-leaseback), except:

(a) dispositions of inventory, or used, worn-out or surplus equipment, all in the ordinary course of business;

(b) the sale, assignment or other transfer of accounts receivable, lease receivables or other rights to payment or any interest in the foregoing pursuant to any Securitization Transaction, together in each case with any collections or proceeds thereof, any collection or deposit accounts related thereto, and any collateral, guaranties or property or claims in favor of the Borrower or such Subsidiary supporting, securing or otherwise relating to such receivables or other rights to payment;

(c) Dispositions of property by any Subsidiary to the Borrower or to a Wholly-Owned Subsidiary; provided that (i) if the transferor of such property is a Guarantor, the transferee thereof must either be the Borrower or a Guarantor, and (ii) if the transferor of such property is not an Excluded Subsidiary, the transferee must either be the Borrower or a Subsidiary that is not an Excluded Subsidiary;

(d) any Regulatory Divestiture required in connection with the Allied Acquisition; provided that (i) no Event of Default shall exist at the time of or result from such Regulatory Divestiture, (ii) such Regulatory Divestiture shall be made for fair market value, (iii) at least 80% of the consideration for such Regulatory Divestiture shall be in the form of cash or cash equivalents (excluding any portion of the consideration allocated to a portion of a Regulatory Divestiture permitted by clause (e) of this Section 7.03; it being agreed that the Borrower may rely on either this clause (d) or clause (e) below in making any Regulatory Divestiture or, in part, on both of such clauses), and (iv) promptly upon receipt thereof by the Person making such Regulatory Divestiture, the Borrower shall prepay Committed Loans and revolving loans under

the Existing Credit Facility on a pro rata basis in an amount equal to the net cash proceeds from such Regulatory Divestiture; and

(e) other dispositions which are made for fair market value; provided that (i) at the time of any such disposition, no Event of Default shall exist or shall result from such disposition and (ii) the aggregate value of all assets so disposed of by the Borrower and its Subsidiaries in any one-year period (calculated as of the date of any such disposition) shall not exceed 20% of Consolidated Tangible Assets as of the last day of the most recently ended fiscal quarter.

7.04 Consolidations and Mergers. The Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, merge, consolidate with, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any other Person, except:

(a) any Subsidiary may merge with the Borrower or with any one or more Subsidiaries; provided that (i) if any transaction shall be between the Borrower and a Subsidiary, the Borrower shall be the continuing or surviving Person, (ii) if any transaction shall be between a Subsidiary and a Wholly-Owned Subsidiary, a Wholly-Owned Subsidiary shall be the continuing or surviving Person; and (iii) if any transaction shall be between an Excluded Subsidiary and a Subsidiary that is not an Excluded Subsidiary, a Subsidiary that is not an Excluded Subsidiary shall be the continuing or surviving Person;

(b) any Subsidiary (other than an Excluded Subsidiary) may sell or transfer all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or a Wholly-Owned Subsidiary, and any Excluded Subsidiary may transfer all or substantially all of its assets to the Borrower or a Subsidiary that is not an Excluded Subsidiary for nominal consideration or as a result of the voluntary dissolution or liquidation of such Excluded Subsidiary; and

(c) any merger, consolidation or disposition in connection with a transaction permitted by Section 7.03 or an Acquisition permitted by Section 7.05.

7.05 Loans and Investments.

(a) The Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, purchase or acquire any capital stock, Equity Interest or obligations or other securities of, or any interest in, any Person, or make any Acquisition, or make any advance, loan, extension of credit or capital contribution to or any other investment in any Person (including any Affiliate of the Borrower) (any of the foregoing an "Investment"), unless (x) such loan, advance, investment, acquisition or other purchase does not cause the Borrower to violate the financial covenants contained in Section 7.01(a) or (b), and (y) no Default would result therefrom.

(b) Notwithstanding the foregoing, the Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to make any Investment in any Allied Unrestricted Subsidiary, any

Securitization Subsidiary or any Republic Insurance Entity after the Initial Funding Date other than the following:

(i) transfers of receivables and other rights to payment in connection with the Allied Securitization Program (or any extension, renewal or refinancing thereof), together in each case with any collections or proceeds thereof, any collection or deposit accounts related thereto, and any collateral, guaranties or property or claims in favor of the Borrower or such Subsidiary supporting, securing payment or otherwise relating to such receivables or other rights to payment, so long as the maximum outstanding principal amount of the Allied Securitization Program (or such extension, renewal or refinancing) does not exceed \$400,000,000;

(ii) Investments by the Borrower and its Subsidiaries in the RMI Subsidiaries described on Schedule 7.05(b); and

(iii) other Investments in any Republic Insurance Entity after the Initial Funding Date consisting of (x) cash contributed (whether in the form of debt or equity) to such Republic Insurance Entity and unreimbursed drawings on letters of credit issued at the request of the Borrower or any Subsidiary on behalf of such Republic Insurance Entity so long as the aggregate amount of all such Investments (net of any amounts repaid, returned or reimbursed), when combined with all Investments in any Republic Insurance Entities existing on the Effective Date that consist of cash contributions or unreimbursed drawings under letters of credit, shall not exceed \$100,000,000 in the aggregate at any time outstanding, and (y) letters of credit issued at the request of the Borrower or any Subsidiary on behalf of such Republic Insurance Entity so long as the aggregate principal amount of all such letters of credit, when combined with all Investments existing on the Effective Date that consist of letters of credit issued on behalf of all Republic Insurance Entities, shall not exceed \$175,000,000 in the aggregate at any time outstanding.

7.06 Limitation on Secured Indebtedness. The Borrower shall not, and shall not permit any Subsidiary to, create, incur, assume or suffer to exist any Indebtedness secured directly or indirectly by assets of the Borrower or any Subsidiary other than the following:

(a) secured Indebtedness listed on Schedule 7.06 (as such Schedule may be updated on the Initial Funding Date) (including any extensions, renewals and refinancings thereof so long as the principal amount thereof is not increased);

(b) Capital Leases and purchase money financings on assets subject to such leases or financings in an aggregate amount not to exceed \$100,000,000 at any time outstanding;

(c) Indebtedness supported by letters of credit;

(d) Indebtedness under the Allied Securitization Program (including any extension, renewal and refinancing thereof) so long as the maximum outstanding principal amount thereof does not exceed \$400,000,000;

(e) other secured Indebtedness not exceeding in the aggregate at any time an outstanding amount of \$75,000,000; and

(f) in the case of any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity, Indebtedness secured directly or indirectly by the assets of such Person or its Subsidiaries.

7.07 Transactions with Affiliates. The Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity) to, enter into any transaction with any Affiliate of the Borrower (other than a Loan Party), except upon fair and reasonable terms no less favorable to the Borrower or such Subsidiary than would obtain in a comparable arm's-length transaction with a Person not an Affiliate of the Borrower or such Subsidiary.

7.08 Use of Proceeds. The Borrower shall not, and shall not permit any Subsidiary to, use any portion of the Loan proceeds or any Letter of Credit, directly or indirectly, (i) to purchase or carry Margin Stock, (ii) to repay or otherwise refinance indebtedness of the Borrower or others incurred to purchase or carry Margin Stock or (iii) to extend credit for the purpose of purchasing or carrying any Margin Stock.

7.09 Restricted Payments. The Borrower shall not, and shall not permit any Subsidiary (other than any Allied Unrestricted Subsidiary, any Securitization Subsidiary or any Republic Insurance Entity), to make any Restricted Payment except that:

(a) each Subsidiary may make Restricted Payments to the Borrower, the Guarantors and any other Person that owns an Equity Interest in such Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) the Borrower and each Subsidiary may declare and make dividend payments or other distributions payable solely in the common stock or other common Equity Interests of such Person;

(c) the Borrower and each Subsidiary may purchase, redeem or otherwise acquire Equity Interests issued by it with the proceeds received from the substantially concurrent issue of new shares of its common stock or other common Equity Interests;

(d) the Borrower may make any other Restricted Payment so long as (i) such Restricted Payment would not cause the Borrower to violate any financial covenant contained in Section 7.01(a) or (b) and (ii) no other Default would result therefrom; and

(e) until the day after the Initial Funding Date, Allied and its Subsidiaries may make any Restricted Payments that would otherwise have been permitted to be made under the Allied Credit Facility (as defined in the Merger Agreement) as the same was in effect immediately prior to the closing of the Allied Acquisition.

7.10 ERISA. The Borrower shall not, and shall not permit any of its ERISA Affiliates to: (a) engage in a prohibited transaction or violation of the fiduciary responsibility rules with

respect to any Plan which has resulted or could reasonably be expected to result in liability of the Borrower in an aggregate amount in excess of \$25,000,000; or (b) engage in a transaction that could be subject to Section 4069 or 4212(c) of ERISA.

7.11 Change in Business. The Borrower shall not, and shall not permit any Subsidiary to, engage in any material line of business other than those lines of business carried on by the Borrower and its Subsidiaries or Allied and its Subsidiaries on the Effective Date and lines of business complementary thereto; provided that (i) in no event will the Borrower permit a material portion of the business of the Borrower and its Subsidiaries, taken as a whole, to involve or relate to hazardous waste, and (ii) in no event will the Borrower direct any Excluded Subsidiary to engage in any business other than (x) in the case of any Securitization Subsidiary, Securitization Transactions permitted hereby, and (y) in the case of any other Excluded Subsidiary, the business carried on by such Subsidiary on the later of the Effective Date and the date that such Subsidiary is approved by the Administrative Agent as an Excluded Subsidiary.

7.12 Burdensome Agreements. The Borrower shall not, and shall not permit any Subsidiary (other than any Excluded Subsidiary) to, enter into any Contractual Obligation (other than this Agreement, any other Loan Document and any Contractual Obligations with respect to the Existing Credit Facility) that (a) limits the ability (i) of any Subsidiary (other than an Excluded Subsidiary) to make Restricted Payments to the Borrower or to otherwise transfer property to the Borrower, (ii) of any Subsidiary (other than an Excluded Subsidiary) to guarantee the Indebtedness of the Borrower or (iii) of the Borrower or any Subsidiary (other than an Excluded Subsidiary) to create, incur, assume or suffer to exist Liens on property of such Person; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person; except, in each case, (1) as required under applicable Requirements of Law, (2) as required under the Loan Documents, (3) for Permitted Liens, (4) for restrictions in the Senior Note Indentures that are in effect on the date hereof, (5) for prohibitions on assignment or transfer contained in leases and (6) as set forth in Schedule 7.12.

ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES

8.01 Event of Default. Any of the following shall constitute an "Event of Default":

(a) Non-Payment. The Borrower fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or the principal amount of any L/C Obligation, or (ii) within five days after the same becomes due, any interest, fee or any other amount payable hereunder or under any other Loan Document.

(b) Representation or Warranty. Any representation or warranty by the Borrower or any Subsidiary made or deemed made herein or in any other Loan Document, or which is contained in any certificate, document or financial or other statement by the Borrower, any Subsidiary or any Responsible Officer furnished at any time under this Agreement or under any other Loan Document, is incorrect in any material respect on or as of the date made or deemed made.

(c) Specific Defaults. The Borrower fails to perform or observe any term, covenant or agreement contained in any of subsection 6.03(a) or Article VII.

(d) Other Defaults. Any Loan Party fails to perform or observe any other term or covenant contained in this Agreement or any other Loan Document, and such failure shall continue unremedied for a period of 30 days after the date upon which written notice thereof is given to the Borrower by the Administrative Agent or any Lender.

(e) Cross-Default. (i) The Borrower or any Subsidiary (A) fails to make any payment of Material Financial Obligations when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise, but after giving effect to any applicable grace or cure period); or (B) fails to perform or observe any other condition or covenant, or any other event shall occur or condition shall exist, under one or more agreements or instruments relating to Material Financial Obligations, if the effect of such failure, event or condition (after giving effect to any applicable grace or cure period) is to cause (or require), or to permit the holder or holders of such Material Financial Obligations or the beneficiary or beneficiaries of such Material Financial Obligations (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause (or require), such Material Financial Obligations to become due and payable (or to be purchased, repurchased, defeased or cash collateralized) prior to the stated maturity thereof.

(f) Insolvency, Voluntary Proceedings. The Borrower or any Subsidiary (i) ceases or fails to be Solvent, or generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any, whether at stated maturity or otherwise; (ii) voluntarily ceases to conduct its business in the ordinary course; (iii) commences any Insolvency Proceeding with respect to itself; or (iv) takes any action to effectuate or authorize any of the foregoing; provided that the foregoing shall not apply to the voluntary liquidation, dissolution or winding up of a Subsidiary permitted by Section 6.04.

(g) Involuntary Proceedings. (i) Any involuntary Insolvency Proceeding is commenced or filed against the Borrower or any Subsidiary, or any writ, judgment, warrant of attachment, execution or similar process is issued or levied against a substantial part of the Borrower's or any Subsidiary's properties, and such proceeding or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or fully bonded, within 60 days after commencement, filing or levy; (ii) the Borrower or any Subsidiary admits the material allegations of a petition against it in any Insolvency Proceeding, or an order for relief (or similar order under non-U.S. law) is ordered in any Insolvency Proceeding with respect to the Borrower or such Subsidiary; or (iii) the Borrower or any Subsidiary acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, mortgagee in possession (or agent therefor), or other similar Person for itself or a substantial portion of its property or business.

(h) ERISA. (i) An ERISA Event shall occur with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of the Borrower under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of \$25,000,000; (ii) a contribution failure shall occur with respect to a Pension Plan sufficient to give rise to a Lien under Section 302(f) of ERISA; or (iii) the

Borrower or any ERISA Affiliate shall fail to pay when due, after the expiration of any applicable grace period (or any period during which (x) the Borrower is permitted to contest its obligation to make such payment without incurring any liability (other than interest) or penalty and (y) the Borrower is contesting such obligation in good faith and by appropriate proceedings), any installment payment with respect to its withdrawal liability under Section 4201 of ERISA or any contribution obligation under Section 4243 of ERISA, in each case under a Multiemployer Plan in an aggregate amount in excess of \$25,000,000.

(i) Judgments. One or more non-interlocutory judgments, non-interlocutory orders, decrees or arbitration awards is entered against the Borrower or any Subsidiary involving in the aggregate a liability (to the extent not covered by insurance as to which the insurer does not dispute coverage) as to any single or related series of transactions, incidents or conditions of \$100,000,000 or more, and the same shall remain unvacated and unstayed pending appeal for a period of 25 days after the entry thereof.

(j) Change of Control. There occurs any Change of Control.

(k) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or the Borrower or any of its Subsidiaries contests in any manner the validity or enforceability of any Loan Document; or the Borrower or any of its Subsidiaries denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document.

8.02 Remedies. If any Event of Default occurs, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders:

(a) declare the commitment of each Lender to make Loans (including the commitment of the Swing Line Lender to make Swing Line Loans) and any obligation of each L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself and the other Guaranteed Parties all other rights and remedies available to it and the other Guaranteed Parties under the Loan Documents or applicable law;

provided, however, that upon the occurrence of any event specified in subsection (f) or (g) of Section 8.01 (in the case of clause (i) of subsection (g)), upon the expiration of the 60-day period mentioned therein), the obligation of each Lender to make Loans and any obligation of each L/C

Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent, any L/C Issuer or any other Lender. The Administrative Agent shall promptly notify the Borrower of any declaration described in clause (a) or (b) of the preceding sentence, but failure to give any such notice shall not impair any such declaration or result in any liability to the Administrative Agent.

8.03 Rights Not Exclusive. The rights provided for in this Agreement and the other Loan Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

8.04 Application of Receipts. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including reasonable fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuers (including reasonable fees, charges and disbursements of counsel to the respective Lenders and L/C Issuers and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and L/C Borrowings and Obligations then owing under Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements, ratably among the Guaranteed Parties in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Section 2.03(c), amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Notwithstanding the foregoing, Obligations arising under Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a “Lender” party hereto.

ARTICLE IX. ADMINISTRATIVE AGENT

9.01 Appointment and Authority. Each of the Lenders and each L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article, except Section 9.06 hereof, are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions, except Section 9.06 hereof.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower, a Lender or an L/C Issuer.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the applicable L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or such L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or such L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by

it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

9.06 Resignation of Administrative Agent. The Administrative Agent may at any time resign as Administrative Agent upon 30 days' prior notice to the Lenders, the L/C Issuers and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States and which successor administrative agent shall be consented to by the Borrower at all times other than during the existence of an Event of Default (which consent shall not be unreasonably withheld or delayed). If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment prior to the effective date of resignation, then the retiring Administrative Agent may on behalf of the Lenders and the L/C Issuers, and in consultation with the Borrower, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents, and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each L/C Issuer directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as an L/C Issuer and as Swing Line Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the

retiring L/C Issuer and Swing Line Lender, (b) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

9.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and each L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the syndication agent, co-documentation agents, joint lead arrangers or joint book managers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, the Syndication Agent, a Lender or an L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuers and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and the Administrative Agent under Sections 2.03(i) and (j), 2.09 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to the

Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 10.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any L/C Issuer or to authorize the Administrative Agent to vote in respect of the claim of any Lender or any L/C Issuer in any such proceeding.

9.10 Guaranty Matters. The Lenders and the L/C Issuers irrevocably authorize the Administrative Agent to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted hereunder. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.10.

9.11 Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements. No Cash Management Bank or Hedge Bank who obtains the benefit of the provisions of Section 8.04, or the Guaranty by virtue of the provisions hereof or of the Guaranty shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Without limitation of the foregoing, each such Cash Management Bank or Hedge Bank acknowledges that (i) the exercise of rights and remedies under the Guaranty shall be taken solely by the Administrative Agent for the benefit of the Guaranteed Parties; and (ii) such Cash Management Bank or Hedge Bank, as the case may be, does not have the right to independently pursue rights or remedies under the Guaranty. Notwithstanding any other provision of this Article IX to the contrary, the Administrative Agent shall be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements only if the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be.

9.12 Release of Guarantors. Upon (i) the disposition of any Guarantor in a transaction permitted hereunder that causes such Guarantor to cease to be a Subsidiary or the request of the Borrower in the event an existing Guarantor ceases to be a Material Subsidiary (as certified to the Administrative Agent by the Borrower and demonstrated in reasonable detail using financial information from the most recently ended fiscal period for which financial statements are available), the Administrative Agent shall execute such documentation reasonably requested by the Borrower to evidence the release of such Guarantor from its obligations under the Guaranty (including any related Guaranty Joinder Agreement) and (ii) repayment in full of all Obligations (other than (x) Obligations under any Cash Management Agreement and (y) Obligations under any Guaranteed Hedge Agreement as to which arrangements satisfactory to the applicable Hedge Bank have been made) and termination by the Borrower of the Commitments hereunder in accordance with Section 2.06, the Administrative Agent shall

execute such documentation reasonably requested by the Borrower to evidence the release of each Subsidiary that is a Guarantor from its obligations under the Guaranty (including any related Guaranty Joinder Agreement), except to the extent such Obligations by their terms expressly survive termination of the Guaranty or release of the Guarantor thereunder.

**ARTICLE X.
MISCELLANEOUS**

10.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent at the written request of the Required Lenders) and the Borrower or other applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) or Section 4.02 without the written consent of each Lender;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate;

(e) change Section 2.13 or Section 8.04 in a manner that would alter the pro rata sharing of payments required thereby or change Section 2.06 in a manner that would alter the pro rata treatment of reductions of the Aggregate Commitments, in each case without the written consent of each Lender;

(f) change any provision of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender; or

(g) release all or substantially all of the Guarantors without the written consent of each Lender;

and, provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the applicable L/C Issuer in addition to the Lenders required above, affect the rights or duties of the applicable L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it or extend the Letter of Credit Expiration Date applicable to the Letters of Credit issued by such L/C Issuer; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swing Line Lender in addition to the Lenders required above, affect the rights or duties of the Swing Line Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (iv) either Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender.

10.02 Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower, the Administrative Agent, Bank of America as the L/C Issuer or the Swing Line Lender, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender or L/C Issuer, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent if confirmation of delivery has been received (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or any L/C Issuer pursuant to Article II if such Lender or such L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic

communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, any L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, any L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, the L/C Issuers and the Swing Line Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, the L/C Issuers and the Swing Line Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such

Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable Law, including United States Federal and state securities laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuers and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices and Swing Line Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, each L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower, except in the case of any of the foregoing persons who are seeking indemnification hereunder, to the extent such reliance resulted from such Person’s gross negligence or willful misconduct as determined by a court of competent jurisdiction by a final and nonappealable judgment. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03 No Waiver; Cumulative Remedies. No failure by any Guaranteed Party to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of the Guaranteed Parties; provided, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any L/C Issuer or the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the

Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by any L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Lender or any L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or any L/C Issuer, including the reasonable fees and expenses of attorneys who may be employees of the Administrative Agent, any Lender or any L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, including the reasonable fees and expenses of any attorney who may be an employee of any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the applicable L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding

relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), each L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such L/C Issuer or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or such L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or such L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section shall survive the resignation of the Administrative Agent and Bank of America as an L/C Issuer, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.05 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, any L/C Issuer or any Lender, or the Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and in Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) In the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund no minimum amount need be assigned; and

(B) In any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met;

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not apply to the Swing Line Lender's rights and obligations in respect of Swing Line Loans;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender;

(C) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in its exposure under one or more Letters of Credit (whether or not then outstanding); and

(D) the consent of the Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Borrower. No such assignment shall be made to the Borrower or any of the Borrower's Affiliates or Subsidiaries.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural person.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned and assumed by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a

“Participant”) in all or a portion of such Lender’s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender’s participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender’s obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower’s prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 3.01(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(h) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Commitment and Loans pursuant to subsection (b) above, Bank of America may, (i) upon 30 days' prior notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon 30 days' prior notice to the Borrower, resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided that such successor shall consent to such appointment by the Borrower; and provided further that no failure by the Borrower to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer or Swing Line Lender, as the case may be. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Committed Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If Bank of America resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Committed Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (b) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

10.07 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives on a need-to-know basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Section 2.14(b) or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their

respective Affiliates on a nonconfidential basis from a source other than the Borrower or any of its Subsidiaries.

For purposes of this Section, “Information” means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary, provided that, in the case of information received from the Borrower or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the L/C Issuers acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed reasonable compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities laws.

10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, after giving prior written notice to the Administrative Agent, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender or such L/C Issuer, irrespective of whether or not such Lender or such L/C Issuer shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch or office of such Lender or such L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender, such L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and each L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the “Maximum Rate”). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the

Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10 Counterparts; Integration; Effectiveness. This Agreement and the other Loan Documents may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Sections 4.01 and 4.02 or as provided in the applicable Loan Document, this Agreement or such other Loan Documents shall become effective when they shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof or thereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement and any other Loan Document by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement and the other Loan Documents.

10.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.13 Replacement of Lenders. If (a) any Lender requests compensation under Section 3.04, (b) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, (c) any Lender is a Defaulting Lender, or (d) any Lender fails to approve any amendment, waiver or consent requested by the Borrower pursuant to Section 10.01 that has received the written approval of not less than the Required Lenders but also requires the approval of such Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent,

require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.06(b);

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) in the case of any such assignment resulting from the refusal of a Lender to approve a requested amendment, waiver or consent, the Person to whom such assignment is being made has agreed to approve such amendment, waiver or consent; and

(v) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

10.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO

AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02 TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. EACH PARTY HERETO IRREVOCABLY WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS.

10.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, co-

documentation agents and Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent and the Arrangers, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, the Arrangers, co-documentation agents and Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates or any other Person and (B) neither the Administrative Agent nor the Arrangers, co-documentation agents and Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents and (iii) the Administrative Agent, the Arrangers, co-documentation agents and Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor the Arrangers, co-documentation agents and Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers, co-documentation agents and Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

10.17 USA PATRIOT Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party, each Loan Party's tax identification number and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

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

REPUBLIC SERVICES, INC.

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

BANK OF AMERICA, N.A., as Administrative Agent

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

BANK OF AMERICA, N.A., as a Lender, L/C Issuer and
Swing Line Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

JPMORGAN CHASE BANK, N.A., as a Lender and L/C
Issuer

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

BARCLAYS BANK PLC, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

BNP PARIBAS, as a Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

THE ROYAL BANK OF SCOTLAND PLC,
as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

THE BANK OF NOVA SCOTIA, as a Lender and L/C
Issuer

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW
YORK BRANCH, as a Lender**

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

SUNTRUST BANK, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

UNION BANK OF CALIFORNIA, N.A., as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

UBS LOAN FINANCE LLC, as a Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as a Lender and L/C Issuer**

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**COMMERZBANK AG, NEW YORK AND GRAND
CAYMAN BRANCHES, as a Lender**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

MIZUHO CORPORATE BANK, LTD., as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

UNICREDIT S.p.A., NEW YORK BRANCH, as a Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
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THE BANK OF NEW YORK MELLON,
as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

CALYON NEW YORK BRANCH, as a Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

COBANK, ACB, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

PNC BANK, NATIONAL ASSOCIATION, as a Lender and
L/C Issuer

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**SUMITOMO MITSUI BANKING
CORPORATION, as a Lender**

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

RAYMOND JAMES BANK, FSB, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

BRANCH BANKING & TRUST COMPANY, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**E. SUN COMMERCIAL BANK LTD., LOS ANGELES
BRANCH, as a Lender**

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

CHANG HWA COMMERCIAL BANK, LTD., LOS ANGELES BRANCH, as a Lender

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
Signature Page

**HUA NAN COMMERCIAL BANK, LTD., NEW YORK
BRANCH, as a Lender**

By: _____
Name: _____
Title: _____

Republic Services, Inc.
Credit Agreement
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ALLIED UNRESTRICTED SUBSIDIARIES

Global Indemnity Assurance Company
Saguaro National Captive Insurance Company
Allied Receivables Funding Incorporated
Browning-Ferris Industries Energy Systems of Boston, Inc.
Browning-Ferris Industries Services Group, Inc.
Browning-Ferris Industries Trans River (LP), Inc.
Browning-Ferris Industries Energy Systems of Plymouth, Inc.
Browning-Ferris Industries Europe, Inc.
Browning-Ferris Industries of Asia Pacific, Inc.
Consolidated Processing, Inc.

EXCLUDED SUBSIDIARIES

Allied Waste of Ponce, Inc.
Allied Waste of Puerto Rico, Inc.
Environmental Development Corp. [PR]
Kent-Meridian Disposal Company
Roosevelt Associates

Continental Waste Industries-Gary, Inc.
Modern Mallard Energy, LLC
Prichard Landfill Corporation

Global Indemnity Assurance Company
Saguaro National Captive Insurance Company
Allied Receivables Funding Incorporated
Browning-Ferris Industries Energy Systems of Boston, Inc.
Browning-Ferris Industries Services Group, Inc.
Browning-Ferris Industries Trans River (LP), Inc.
Browning-Ferris Industries Energy Systems of Plymouth, Inc.
Browning-Ferris Industries Europe, Inc.
Browning-Ferris Industries of Asia Pacific, Inc.
Consolidated Processing, Inc.

Bom Ambiente, Ltd.
Republic Services Risk Management, Inc.
RSG Cayman Group, Inc.

**COMMITMENTS AND
APPLICABLE PERCENTAGES**

Lender	Commitment	Applicable Percentage
The Royal Bank of Scotland Plc	\$ 170,000,000	9.714285714%
JPMorgan Chase Bank, N.A.	160,000,000	9.142857143%
Bank of America, N.A.	150,000,000	8.571428571%
UBS Loan Finance LLC	150,000,000	8.571428571%
BNP Paribas	130,000,000	7.428571428%
The Bank of Nova Scotia	115,000,000	6.571428571%
Barclays Bank Plc	110,000,000	6.285714285%
Wells Fargo Bank, National Association	105,000,000	6.000000000%
Commerzbank AG, New York and Grand Cayman Branches	100,000,000	5.714285714%
The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	60,000,000	3.428571428%
SunTrust Bank	60,000,000	3.428571428%
Mizuho Corporate Bank, Ltd.	55,000,000	3.142857142%
UniCredit SpA, New York Branch	50,000,000	2.857142857%
Calyon New York Branch	50,000,000	2.857142857%
CoBank, ACB	50,000,000	2.857142857%
PNC Bank, National Association	50,000,000	2.857142857%
Sumitomo Mitsui Banking Corporation	50,000,000	2.857142857%
Raymond James Bank, FSB	30,000,000	1.714285714%
Branch Banking & Trust Company	25,000,000	1.428571428%
Union Bank of California, N.A.	20,000,000	1.142857142%
U.S. Bank, National Association	15,000,000	.857142857%
E.Sun Commercial Bank Ltd., Los Angeles Branch	15,000,000	.857142857%
The Bank of New York Mellon	10,000,000	.571428571%
Chang Hwa Commercial Bank, Ltd., Los Angeles Branch	10,000,000	.571428571%
Hua Nan Commercial Bank, Ltd., New York Branch	10,000,000	.571428571%
Total	\$ 1,750,000,000	100.000000000%

EXISTING LETTERS OF CREDIT

<u>LC No.</u>	<u>Beneficiary</u>	<u>Amount</u>	<u>Issue Date</u>	<u>Expiration</u>	<u>Currency</u>
T00000001396751	CALIFORNIA INTEGRATE	26,781,471.00	6/28/2005	7/11/2007	USD
T00000001396752	CIWMB	25,374,530.00	6/28/2005	6/01/2007	USD
T00000001396753	CALIFORNIA INTEGRATE	16,146,181.00	6/28/2005	6/01/2007	USD
T00000001396754	DEPT. OF TOXIC SUBST	21,109,547.00	6/28/2005	6/01/2007	USD
T00000001396755	PENNSYLVANIA DEPT OF	7,626,564.00	6/28/2005	7/01/2007	USD
T00000001396756	BOM AMBIENTE	12,500,000.00	6/28/2005	12/01/2007	USD
T00000003025710	KENTUCKY	8,033,520.00	6/28/2005	5/18/2007	USD
T00000003029662	MARYLAND	5,579,110.00	6/28/2005	9/28/2007	USD
T00000003035419	TEXAS	3,540,274.00	6/28/2005	4/27/2007	USD
T00000003035420	TEXAS	4,046,028.00	6/28/2005	4/27/2007	USD
T00000003038018	KENTUCKY	8,621,834.00	6/28/2005	6/08/2007	USD
T00000003039209	BNY WESTERN TRUST CO	8,140,017.45	6/28/2005	12/01/2007	USD
T00000003040182	NEW JERSEY DEV	10,115,069.00	6/28/2005	12/01/2007	USD
T00000003047083	TEXAS	11,126,576.00	6/28/2005	5/15/2007	USD
T00000003049120	COLORADO HOUSING & F	7,080,548.00	6/28/2005	11/15/2007	USD
T00000003054301	CITY OF TORONTO	867,152.27	6/28/2005	3/31/2008	USD
T00000064039401	VILLAGE OF WILLOWBRO	500,000.00	6/28/2005	11/23/2007	USD
T00000064039402	OHIO ENVIRONMENTAL	P33,960,640.00	6/28/2005	4/06/2008	USD
T00000064039403	INDIANA DEPT ENVIRON	39,104,755.00	6/28/2005	4/12/2008	USD
T00000064039404	MICHIGAN DEQ	3,832,851.00	6/28/2005	5/24/2007	USD
T00000064039405	MICHIGAN DEQ	24,944,649.00	6/28/2005	4/20/2008	USD
T00000064039406	CITY OF ARLINGTON, T	10,540,000.00	6/28/2005	10/01/2007	USD
T00000064039407	BALTIMORE CNTY MD/BU	33,802.00	6/28/2005	4/27/2007	USD
T00000064039408	BALTIMORE CNTY MD/BU	370,260.00	6/28/2005	4/27/2007	USD
T00000064039409	BALTIMORE CNTY MD/BU	30,000.00	6/28/2005	4/27/2007	USD
T00000064039410	BALTIMORE CNTY MD/BU	1,000,000.00	6/28/2005	4/27/2007	USD
T00000064039411	MARYLAND DEPARTMENT	57,500.00	6/28/2005	4/27/2007	USD
365014 BANK 1	JC DUNCAN-TX WATER C	25,000.00	6/28/2005	5/22/2008	USD
373056 BANK 1	SMITHTON-BEAUFORT CN	100,000.00	6/28/2005	9/30/2007	USD
382058 BANK 1	SMITHTON-TOWN OF PLY	30,000.00	6/28/2005	8/27/2007	USD
382233 BANK 1	SMITHTON-CRAVEN COUN	250,000.00	6/28/2005	11/01/2007	USD
382279 BANK 1	ADDINGTON	202,086.00	6/28/2005	12/31/2006	USD
382331 BANK 1	ADDINGTON	90,000.00	6/28/2005	3/28/2008	USD
382334 BANK 1	UNITED	25,000.00	6/28/2005	4/11/2008	USD
382338 BANK 1	ADDINGTON	400,000.00	6/28/2005	4/23/2008	USD
382466 BANK 1	CITY OF ANAHEIM	1,000,000.00	6/28/2005	10/16/2007	USD
382499 BANK 1	TOWN OF DARIEN/MALLA	100,000.00	6/28/2005	11/05/2007	USD
382500 BANK 1	WALWORTH CNTY/MALLAR	100,000.00	6/28/2005	11/05/2007	USD
382509 BANK 1	GARDEN GROVE/TAORMIN	878,490.00	6/28/2005	12/15/2007	USD
382510 BANK 1	CHIQUITA CANYON	1,000,000.00	6/28/2005	12/16/2007	USD
382511 BANK 1	COGGINS WASTE (ACUA)	205,000.00	6/28/2005	12/16/2007	USD
382512 BANK 1	COGGINS WASTE (CMCUA)	100,000.00	6/28/2005	12/16/2007	USD
382514 BANK 1	STAFFORD COUNTY VIRG	10,000.00	6/28/2005	2/04/2008	USD

<u>LC No.</u>	<u>Beneficiary</u>	<u>Amount</u>	<u>Issue Date</u>	<u>Expiration</u>	<u>Currency</u>
382516 BANK 1	CITY OF TAMPA/EAST B	72,000.00	6/28/2005	5/03/2008	USD
382802 BANK 1	HONEYGO RUN CLOSURE	340,850.00	6/28/2005	3/09/2008	USD
382803 BANK 1	HONEYGO RUN GRADING	30,000.00	6/28/2005	3/09/2008	USD
382804 BANK 1	HONEYGO RUN FOREST C	14,250.00	6/28/2005	3/09/2008	USD
382805 BANK 1	HONEYGO RUN FOREST C	96,198.00	6/28/2005	3/09/2008	USD
382806 BANK 1	HONEYGO RUN PUBLIC W	49,000.00	6/28/2005	3/09/2008	USD
382809 BANK 1	FLA COMMUNITY COLLEG	25,000.00	6/28/2005	7/01/2007	USD
382811 BANK 1	COUNTY OF LOS ANGELE	1,000,000.00	6/28/2005	11/21/2007	USD
382812 BANK 1	CITY OF CHICAGO	5,000.00	6/28/2005	12/21/2007	USD
382814 BANK 1	CITY OF CHICAGO	5,000.00	6/28/2005	12/21/2007	USD
382815 BANK 1	PA DEP	10,000.00	6/28/2005	3/01/2008	USD
382816 BANK 1	CITY OF PARK RIDGE	500,000.00	6/28/2005	3/22/2008	USD
382820 BANK 1	ACE USA	27,410,000.00	6/28/2005	8/16/2007	USD
382822 BANK 1	AUTOMATED POWER EXCH	18,000.00	6/28/2005	2/01/2008	USD
382823 BANK 1	CITY OF TROY, MICHIG	500,000.00	6/28/2005	1/31/2008	USD
382824 BANK 1	AMERICAN HOME ASSURA	5,000,000.00	6/28/2005	4/08/2008	USD
382825 BANK 1	DEPT OF TOXIC WASTE	125,000.00	6/28/2005	5/09/2008	USD
382826 BANK 1	LA DEPT OF PUBLIC WO	10,000.00	6/28/2005	5/10/2008	USD
382828 BANK 1	PEEL BRAMTON ONTARIO	781,425.82	6/28/2005	6/25/2007	USD
382830 BANK 1	INDIAN HARBOR INSURA	250,000.00	6/28/2005	10/01/2007	USD
382837 BANK 1	WILLIAMS ENVIRONMENT	1,750,000.00	6/28/2005	11/05/2007	USD
382838 BANK 1	KENTUCKY 2003	12,450,942.00	6/28/2005	6/24/2008	USD
382840 BANK 1	MONTROSE TOWNSHIP	25,000.00	6/28/2005	7/10/2007	USD
502652 SUNTRUST	GEORGIA	5,192,084.00	6/28/2005	6/23/2008	USD
502653 SUNTRUST	GEORGIA	2,036,112.00	6/28/2005	6/23/2008	USD
502741 SUNTRUST	GEORGIA	5,904,723.00	6/28/2005	6/23/2008	USD
502802 SUNTRUST	NORTH CAROUNA	15,255,000.00	6/28/2005	6/23/2008	USO
503019 SUNTRUST	INDIANA	10,131,507.00	6/28/2005	6/23/2008	USD
840211 SUNTRUST	INDIANA 2002	21,529,453.00	6/28/2005	6/23/2008	USD
T00000068011604	BANK OF AMERICA	433,576.14	2/28/2006	3/28/2008	CAD
T00000068011608	BANK OF AMERICA	433,576.14	2/28/2006	3/28/2008	CAD
616574 COMERICA	CITY OF SANTA CLARIT	20,000.00	1/20/2006	1/20/2007	USD
618410 COMERICA		500,000.00	3/31/2006	4/01/2007	USD
621936 COMERICA	ATLANTIC CNTY UTIL A	205,000.00	10/10/2006	12/16/2007	USD
621944 COMERICA	CITY OF CHICAGO C/O	5,000.00	10/05/2006	12/21/2006	USD
621945 COMERICA	CITY OF CHICAGO C/O	5,000.00	10/05/2006	12/21/2006	USD
T00000064039412	BARCLAYS BANK	35,000,000.00	11/30/2006	11/29/2007	USD

**Allied Waste
Letters of Credit
As of 12/3/08 4 pm**

Issuing Bank	L/C #	Beneficiary	Amount	Exp Date
BofA	1343166	Waste Industries, LCC / Sampson County LLC	3,820,175.00	07/24/09
BofA	1347002	CA Game & Fish	566,225.00	04/30/09
BofA	1347007	US EPA Region 1	3,000,000.00	11/14/09
BofA	1347010	City of Dallas	55,000.00	12/11/08
BofA	1347017	City of Chicago	1,000,000.00	02/15/09
BofA	1347020	City of Chicago	20,000,000.00	02/15/09
BofA	1347021	MT Dept of Labor	150,000.00	01/17/09
BofA	1347022	Klickitat County Solid Waste	1,000,000.00	01/30/09
BofA	1347027	TCEQ	38,881,993.00	04/01/09
BofA	1347033	CITY OF BOULDER, CO	1,500,000.00	06/10/09
BofA	1347035	State of NY Worker Comp Board	100,000.00	08/20/09
BofA	1347037	State of NY Worker Comp Board	181,349.00	08/20/09
BofA	1347038	Ace/Insurance Co. of NA	1,000,000.00	08/27/09
BofA	1347041	City of Chicago	100,000.00	01/02/09
BofA	1381037	National Union Fire Insurance...	25,529,615.00	02/21/09
BofA	64020302	First Industrial Corp.	697,940.00	11/16/09
BofA	64020304	CIWMB	9,890,102.00	12/03/09
BofA	64020305	CIWMB	35,970,096.00	12/03/09
BofA	64020314	City of New York	13,030,000.00	07/07/09
BofA	64020315	Waste System Auth of Montgomery Cty	255,857.00	10/09/09
BofA	64020316	County of Henrico VA	244,000.00	01/30/10
BofA	64020317	America Intl Speicalty Lines Ins.	50,000.00	03/31/09
BofA	64020318	City of Hialeah	50,000.00	03/30/09
BofA	64020320	County of Los Angeles	10,000,000.00	04/30/09
BofA	64020322	Deutsche Bank	34,290,083.00	01/23/09
BofA	64020323	Deutsche Bank	56,846,685.00	05/22/09
BofA	64020324	City of Prior Lake	1,000.00	06/01/09
BofA	64020327	City of Pasadena	47,952.00	06/30/09
BofA	68028518	Deutsche Bank	15,172,603.00	08/13/09
BofA	68028519	Deutsche Bank	20,230,137.00	08/13/09
BofA	68029926	US Bank	10,916,667.00	10/05/09
BofA	68029927	US Bank	5,304,000.00	10/15/09
BofA	68031685	Deutsche Bank	72,575,617.00	11/12/09
Chase	317672	USEPA — Kansas City	350,000.00	03/31/09
Chase	320762	City of Chicago	100,000.00	01/02/09
Chase	P 224017	National Union Fire Insurance...	56,327,260.00	04/05/09
Chase	P 224074	Dept of Toxic Substances Control — CA	1,528,666.62	04/09/09
Chase	P 224545	DAKOTA COUNTY	26,806.00	04/25/09
Chase	P 224548	City of Bellevue	19,548.00	09/30/09
Chase	P 224550	COUNTY OF STAFFORD	2,500.00	01/31/09

<u>Issuing Bank</u>	<u>L/C #</u>	<u>Beneficiary</u>	<u>Amount</u>	<u>Exp Date</u>
Chase	P 224551	COUNTY OF LOS ANGELES	750,000.00	01/10/09
Chase	P 224554	Fox River Water Reclamation	1,500.00	08/01/09
Chase	P 224557	NY State DEC	8,924,312.00	10/01/09
Chase	P 224560	NY State DEC	54,000.00	10/15/09
Chase	P 224568	NY State DEC	1,460,615.00	10/15/09
Chase	P 224577	Contra Costa	1,000,000.00	10/15/09
Chase	P 224578	Lewis County Solid Waste	50,000.00	01/31/09
Chase	P 224579	Grays Harbor County	50,000.00	01/31/09
Chase	P 224602	State of Vermont	25,000,000.00	07/25/09
Chase	P 224609	FRANKLIN COUNTY	54,007.80	11/15/09
Chase	P 224610	City of Chicago	100,000.00	12/31/08
Chase	P 224611	City of Chicago	100,000.00	12/31/08
Chase	P 224612	City of Chicago	100,000.00	12/31/08
Chase	P 224613	City of Chicago	100,000.00	12/31/08
Chase	P 224614	State of Florida, Dept of Labor & Employment Security	1,650,000.00	10/20/09
Chase	P 224619	Sharkey Landfill Agreement Group	108,411.00	11/30/09
Chase	P 224621	City of Chicago	5,000.00	12/15/08
Chase	P 224622	City of Chicago	5,000.00	12/15/08
Chase	P 224625	City of Chicago	5,000.00	12/20/08
Chase	P 224626	NATL UNION 92/93	7,500,000.00	12/20/08
Chase	P 224627	NATL UNION 90/91	14,530,000.00	12/20/08
Chase	P 224628	City of Chicago	100,000.00	12/31/08
Chase	P 224629	National Union Fire Insurance...	71,500,000.00	01/02/09
Chase	P 224630	City of Lomita	50,000.00	03/15/09
Chase	P 224631	Yeoman Creek Remediation Group & US EPA	3,180,316.00	11/26/09
Chase	P 224635	National Union Fire Insurance...	37,000,000.00	02/01/09
Chase	P 224636	Austin	2,280,000.00	01/30/09
Chase	P 224637	Insurance Co.of North Ameica	251,000.00	11/01/09
Chase	P 224645	Evergreen National Indemnity Company	50,093,631.00	08/01/09
Chase	P 224646	Worchester County, MD	100,000.00	11/15/09
Chase	P 224673	Wells Fargo	1,805,106.00	04/22/09
Chase	P 225076	PA DEP	13,689,952.00	05/02/09
Chase	P 225077	National Union Fire Insurance...	20,000,000.00	05/02/09
Chase	P 225172	CITY OF MEMPHIS	5,653,125.00	07/01/09
Chase	P 225173	Jackson	1,500,000.00	12/31/08
Chase	P 225175	AMERICAN HOME ASSURANCE	830,000.00	05/01/09
Chase	P 225176	LASALLE BANK	27,291,667.00	07/15/09
Chase	P 225177	LASALLE BANK	9,279,166.78	07/15/09
Chase	P 225428	State of MN Dept of Commerce	891,100.00	05/13/09
Chase	P 225429	State of NY Worker Comp Board	495,356.00	05/13/09
Chase	P 225430	State of CA, Dept. of Industrial Relations, Selfns.	220,000.00	07/01/09
Chase	P 233219	MO DES	340,400.00	03/28/09
Chase	SLT 321185	US Bank	20,100,345.21	03/28/12
Chase	TPTS 265733	Deutsche Bank	10,115,068.00	12/14/08
Chase	TPTS 265735	Deutsche Bank	30,345,205.00	12/14/08
PNC	18104599	City of Hawthorne	1,500,000.00	04/30/09

<u>Issuing Bank</u>	<u>L/C #</u>	<u>Beneficiary</u>	<u>Amount</u>	<u>Exp Date</u>
PNC	18107683	LA DEQ	13,708,800.00	09/05/09
Scotia	S18572/244777	Scotia Bank	25,000,000.00	01/10/09
Wells Fargo	NZS 459525	WA Dept of Labor	459,000.00	10/01/09
Wells Fargo	NZS 513075	Selfnsurance TX workers Comp	500,000.00	09/18/09
Wells Fargo	NZS 900144	City of Elk Grove CA	300,000.00	03/10/09
Wells Fargo	NZS 900145	City of Elk Grove CA	900,000.00	03/10/09
Wells Fargo	NZS 900159	CIWMB	26,606,040.00	03/12/09
Wells Fargo	NZS 900161	AZ DEQ	1,394,484.00	03/10/09
Wells Fargo	NZS 900192	CA Game & Fish	916,777.00	03/31/09
Wells Fargo	NZS 900234	City of Urbana IL	20,000.00	03/31/09
Wells Fargo	NZS 900279	MI DEQ	648,147.00	04/14/09
Wells Fargo	NZS 901057	CIWMB	7,713,279.00	12/03/09
Wells Fargo	NZS 901059	CIWMB	26,007,386.00	12/03/09
Wells Fargo	NZS 901060	CIWMB	25,956,653.00	12/03/09
Wells Fargo	NZS 901960	Village of Wauconda, IL	750,000.00	09/15/09
Wells Fargo	NZS 902409	City of Santa Clarita	20,000.00	03/21/09
Wells Fargo	NZS 904702	Wayne County (MI)	100,000.00	08/01/09

941,971,726.41

ERISA MATTERS

None.

S-9

ENVIRONMENTAL MATTERS

None.

S-10

SUBSIDIARIES AND MINORITY INTERESTS

Part (a) — Subsidiaries

623 Landfill, Inc.
A-Best Disposal, Inc.*
Abilene Landfill TX, LP
Ace Disposal Services, Inc.*
Action Disposal, Inc.
Ada County Development Company, Inc.
A D A J Corporation
Adrian Landfill, Inc.
ADS of Illinois, Inc.
ADS, Inc.
Agricultural Acquisitions, LLC
Agri-Tech, Inc. of Oregon
Alabama Recycling Services, Inc.
Albany—Lebanon Sanitation, Inc.
Allied Acquisition Pennsylvania, Inc.
Allied Acquisition Two, Inc.
Allied Enviroengineering, Inc.
Allied Gas Recovery Systems, L.L.C.
Allied Green Power, Inc.
Allied Nova Scotia, Inc.
Allied Receivables Funding Incorporated*†
Allied Services, LLC
Allied Transfer Systems of New Jersey, LLC
Allied Waste Alabama, Inc.
Allied Waste Company, Inc.
Allied Waste Environmental Management Group, LLC
Allied Waste Hauling of Georgia, Inc.
Allied Waste Holdings (Canada) Ltd.
Allied Waste Industries (Arizona), Inc.
Allied Waste Industries (New Mexico), Inc.
Allied Waste Industries (Southwest), Inc.
Allied Waste Industries of Georgia, Inc.
Allied Waste Industries of Illinois, Inc.
Allied Waste Industries of Northwest Indiana, Inc.
Allied Waste Industries of Tennessee, Inc.
Allied Waste Industries, Inc. (Parent)
Allied Waste Landfill Holdings, Inc.
Allied Waste Niagara Falls Landfill, LLC
Allied Waste North America, Inc.

Allied Waste of California, Inc.
Allied Waste of Long Island, Inc.
Allied Waste of New Jersey, Inc.
Allied Waste of New Jersey-New York, LLC
Allied Waste of Ponce, Inc.*†
Allied Waste of Puerto Rico, Inc.*†
Allied Waste Recycling Services of New Hampshire, LLC
Allied Waste Rural Sanitation, Inc.
Allied Waste Services of Bullhead City, Inc.
Allied Waste Services of Colorado, Inc.
Allied Waste Services of Lake Havasu City, Inc.
Allied Waste Services of Massachusetts, LLC
Allied Waste Services of Mesa, Inc.
Allied Waste Services of North America, LLC
Allied Waste Services of Page, Inc.
Allied Waste Services of Phoenix, Inc.
Allied Waste Services of Stillwater, Inc.
Allied Waste Services of Yuma, Inc.
Allied Waste Sycamore Landfill, LLC
Allied Waste Systems Holdings, Inc.
Allied Waste Systems of Arizona, LLC
Allied Waste Systems of Colorado, LLC
Allied Waste Systems of Indiana, LLC
Allied Waste Systems of Michigan, LLC
Allied Waste Systems of Montana, LLC
Allied Waste Systems of New Jersey, LLC
Allied Waste Systems of North Carolina, LLC
Allied Waste Systems of Pennsylvania, LLC
Allied Waste Systems, Inc.
Allied Waste Transfer Services of Arizona, LLC
Allied Waste Transfer Services of California, LLC
Allied Waste Transfer Services of Florida, LLC
Allied Waste Transfer Services of Iowa, LLC
Allied Waste Transfer Services of Lima, LLC
Allied Waste Transfer Services of New York, LLC
Allied Waste Transfer Services of North Carolina, LLC
Allied Waste Transfer Services of Oregon, LLC
Allied Waste Transfer Services of Rhode Island, LLC
Allied Waste Transfer Services of Utah, Inc.
Allied Waste Transportation, Inc.
American Disposal Services of Illinois, Inc.
American Disposal Services of Kansas, Inc.
American Disposal Services of Missouri, Inc.
American Disposal Services of New Jersey, Inc.
American Disposal Services of West Virginia, Inc.
American Disposal Services, Inc.

American Disposal Transfer Services of Illinois, Inc.
American Materials Recycling Corp.
American Sanitation, Inc.
American Transfer Company, Inc.
Anderson Regional Landfill, LLC
Anderson Solid Waste, Inc.*
Anson County Landfill NC, LLC
Apache Junction Landfill Corporation
Arbor Hills Holdings, LLC*
Arc Disposal Company, Inc.
Area Disposal, Inc.
Ariana, LLC
Astro Waste Services, Inc.*
Atlantic Waste Holding Company, Inc.
Atlas Transport, Inc.
Attwoods of North America, Inc.
Autauga County Landfill, LLC
Automated Modular Systems, Inc.
Autoshred, Inc.
AWIN Leasing Company, Inc.
AWIN Leasing II, LLC
AWIN Management, Inc.
Barker Brothers Waste Incorporated
Barker Brothers, Inc.*
Bay Collection Services, Inc.
Bay Environmental Management, Inc.
Bay Landfills, Inc.
Bay Leasing Company, Inc.
BBCO, Inc.
Belleville Landfill, Inc.
Benson Valley Landfill General Partnership
Benton County Development Company
Berkeley Sanitary Service, Inc.
Berrien County Landfill, Inc.*
BFGSI, L.L.C.
BFI Argentina, S.A.*
BFI Atlantic, Inc.
BFI Energy Systems of Albany, Inc.
BFI Energy Systems of Delaware County, Inc.
BFI Energy Systems of Essex County, Inc.
BFI Energy Systems of Hempstead, Inc.
BFI Energy Systems of Niagara II, Inc.
BFI Energy Systems of Niagara, Inc.
BFI Energy Systems of SEMASS, Inc.
BFI Energy Systems of Southeastern Connecticut, Inc.
BFI Energy Systems of Southeastern Connecticut, Limited Partnership

BFI International, Inc.
BFI REF-FUEL, INC.
BFI Trans River (GP), Inc.
BFI Transfer Systems of Alabama, LLC
BFI Transfer Systems of DC, LLC
BFI Transfer Systems of Georgia, LLC
BFI Transfer Systems of Maryland, LLC
BFI Transfer Systems of Massachusetts, LLC
BFI Transfer Systems of Mississippi, LLC
BFI Transfer Systems of New Jersey, Inc.
BFI Transfer Systems of Pennsylvania, LLC
BFI Transfer Systems of Texas, LP
BFI Transfer Systems of Virginia, LLC
BFI Waste Services of Indiana, LP
BFI Waste Services of Pennsylvania, LLC
BFI Waste Services of Tennessee, LLC
BFI Waste Services of Texas, LP
BFI Waste Services, LLC
BFI Waste Systems of Alabama, LLC
BFI Waste Systems of Arkansas, LLC
BFI Waste Systems of Georgia, LLC
BFI Waste Systems of Indiana, LP
BFI Waste Systems of Kentucky, LLC
BFI Waste Systems of Louisiana, LLC
BFI Waste Systems of Massachusetts, LLC
BFI Waste Systems of Mississippi, LLC
BFI Waste Systems of Missouri, LLC
BFI Waste Systems of New Jersey, Inc.
BFI Waste Systems of North America, LLC
BFI Waste Systems of North Carolina, LLC
BFI Waste Systems of Oklahoma, LLC
BFI Waste Systems of South Carolina, LLC
BFI Waste Systems of Tennessee, LLC
BFI Waste Systems of Virginia, LLC
Bio-Med of Oregon, Inc.
BLT Enterprises of Oxnard, Inc.
Blue Ridge Landfill General Partnership
Blue Ridge Landfill TX, LP
Bom Ambiente Insurance Company*
Bom Ambiente, Ltd.*†
Bond County Landfill, Inc.
Borrego Landfill, Inc.
Borrow Pit Corp.
Brenham Total Roll-Offs, LP
Brickyard Disposal & Recycling, Inc.
Bridgeton Landfill, LLC

Bridgeton Transfer Station, LLC
Browning-Ferris Financial Services, Inc.
Browning-Ferris Industries Argentina, S.A.*
Browning-Ferris Industries Chemical Services, Inc.
Browning-Ferris Industries de Mexico, S.A. de C.V.*
Browning-Ferris Industries Energy Systems of Boston, Inc.*†
Browning-Ferris Industries Energy Systems of Plymouth, Inc.*†
Browning-Ferris Industries Europe, Inc.*†
Browning-Ferris Industries of Asia Pacific, Inc.*†
Browning-Ferris Industries of California, Inc.
Browning-Ferris Industries of Florida, Inc.
Browning-Ferris Industries of Illinois, Inc.
Browning-Ferris Industries of New Jersey, Inc.
Browning-Ferris Industries of New York, Inc.
Browning-Ferris Industries of Ohio, Inc.
Browning-Ferris Industries of Tennessee, Inc.
Browning-Ferris Industries Services Group, Inc.*†
Browning-Ferris Industries Trans River (LP), Inc.*†
Browning-Ferris Industries, Inc.
Browning-Ferris Industries, LLC
Browning-Ferris Services, Inc.
Browning-Ferris, Inc.
Brunswick Waste Management Facility, LLC
Bunting Trash Service, Inc.
Butler County Landfill, LLC
C & C Expanded Sanitary Landfill, LLC
Cactus Waste Systems, LLC
Calvert Trash Service Incorporated*
Calvert Trash Systems, Incorporated
Camelot Landfill TX, LP
Capital Waste & Recycling, Inc.*
Capitol Recycling and Disposal, Inc.
Carbon Limestone Landfill, LLC
Cave Creek Transfer Station, Inc.
CC Landfill, Inc.
CECOS International, Inc.
Cefe Landfill TX, LP
Celina Landfill, Inc.
Central Arizona Transfer, Inc.
Central Sanitary Landfill, Inc.
Central Virginia Properties, LLC
Chambers Development of North Carolina, Inc.
Charter Evaporation Resource Recovery Systems
Cherokee Run Landfill, Inc.
Chilton Landfill, LLC
Citizens Disposal, Inc.

City-Star Services, Inc.
Clarkston Disposal, Inc.
Clinton County Landfill Partnership
Cocopah Landfill, Inc.
Commercial Reassurance Limited*
Compactor Rental Systems of Delaware, Inc.
Consolidated Disposal Service, L.L.C.
Consolidated Processing, Inc.*†
Continental Waste Industries — Gary, Inc.*†
Continental Waste Industries, L.L.C.
Copper Mountain Landfill, Inc.
Corvallis Disposal Co.
County Disposal (Ohio), Inc.
County Disposal, Inc.
County Environmental Landfill, LLC
County Land Development Landfill, LLC
County Landfill, Inc.
County Line Landfill Partnership
Courtney Ridge Landfill, LLC
Covington Waste, Inc.*
Crescent Acres Landfill, LLC
Crockett Sanitary Service, Inc.
Crow Landfill TX, L.P.
Cumberland County Development Company, LLC
CWI of Florida, Inc.*
CWI of Illinois, Inc.
CWI of Missouri, Inc.
D & L Disposal, L.L.C.
Dallas Disposal Co.
Delta Container Corporation
Delta Dade Recycling Corp.
Delta Paper Stock, Co.
Delta Resources Corp.
Delta Site Development Corp.
Delta Waste Corp.
Dempsey Waste Systems II, Inc.
Denver RL North, Inc.
Desarrollo del Rancho La Gloria TX, LP
Dinverno, Inc.
DTC Management, Inc.
E & P Investment Corporation*
E Leasing Company, LLC
Eagle Industries Leasing, Inc.
East Chicago Compost Facility, Inc.
ECDC Environmental of Humboldt County, Inc.
ECDC Environmental, L.C.

ECDC Holdings, Inc.
El Centro Landfill, L.P.
Elder Creek Transfer & Recovery, Inc.
Ellis County Landfill TX, LP
Ellis Scott Landfill MO, LLC
Envirocycle, Inc.
Environmental Development Corp. [DE]
Environmental Development Corp.[PR]*†
Environmental Reclamation Company
Environtech, Inc.
Envotech-Illinois L.L.C.
Evergreen Scavenger Service, Inc.
Evergreen Scavenger Service, L.L.C.
F. P. McNamara Rubbish Removal Inc.
Flint Hill Road, LLC
FLL, Inc.
Forest View Landfill, LLC
Fort Worth Landfill TX, LP
Forward, Inc.
Fred Barbara Trucking Co., Inc.
Frontier Waste Services (Colorado), LLC
Frontier Waste Services (Utah), LLC
Frontier Waste Services of Louisiana L.L.C.
Frontier Waste Services, L.P.
G. Van Dyken Disposal Inc.
Galveston County Landfill TX, LP
Gateway Landfill, LLC
GEK, Inc.
General Refuse Rolloff Corp.
General Refuse Service of Ohio, L.L.C.
Georgia Recycling Services, Inc.
Giles Road Landfill TX, LP
Global Indemnity Assurance Company*†
Golden Bear Transfer Services, Inc.
Golden Triangle Landfill TX, LP
Golden Waste Disposal, Inc.
Grants Pass Sanitation, Inc.
Great Lakes Disposal Service, Inc.
Great Plains Landfill OK, LLC
Green Valley Landfill General Partnership
Greenridge Reclamation, LLC
Greenridge Waste Services, LLC
Greenwood Landfill TX, LP
Gulf West Landfill TX, LP
Gulfcoast Waste Service, Inc.
H Leasing Company, LLC

Hancock County Development Company, LLC
Harland's Sanitary Landfill, Inc.
Harrison County Landfill, LLC
HMD Waste, L.L.C.*
Honeygo Run Reclamation Center, Inc.
Hyder Waste Container, Inc.*
Illiana Disposal Partnership
Illinois Landfill, Inc.
Illinois Recycling Services, Inc.
Illinois Valley Recycling, Inc.
Imperial Landfill, Inc.
Independent Trucking Company
Ingrum Waste Disposal, Inc.
International Disposal Corp. of California
Island Waste Services Ltd.
Itasca Landfill TX, LP
Jackson County Landfill, LLC
Jasper County Development Company Partnership
Jefferson City Landfill, LLC
Jefferson Parish Development Company, LLC
Jetter Disposal, Inc.
K & K Trash Removal, Inc.*
Kandel Enterprises, LLC
Kankakee Quarry, Inc.
Keller Canyon Landfill Company
Keller Drop Box, Inc.
Kent-Meridian Disposal Company*†
Kerrville Landfill TX, LP
Key Waste Indiana Partnership
La Cañada Disposal Company, Inc.
Lake County C & D Development Partnership
Lake Havasu LF Services, Inc.
Lake Norman Landfill, Inc.
LandComp Corporation
Lathrop Sunrise Sanitation Corporation
Lee County Landfill SC LLC
Lee County Landfill, Inc.
Lemons Landfill, LLC
Lewisville Landfill TX, LP
Liberty Waste Holdings, Inc.
Liberty Waste Services Limited, L.L.C.
Liberty Waste Services of Illinois, L.L.C.
Liberty Waste Services of McCook, L.L.C.
Little Creek Landing, LLC
Local Sanitation of Rowan County, L.L.C.
Loop Recycling, Inc.

Loop Transfer, Incorporated
Lorain County Landfill, LLC
Louis Pinto & Son, Inc., Sanitation Contractors
Lucas County Land Development, Inc.
Lucas County Landfill, LLC
Madison County Development, LLC
Manumit of Florida, Inc.
Mars Road TX, LP
McCarty Road Landfill TX, LP
McCusker Recycling, Inc.
McInnis Waste Systems, Inc.
Menands Environmental Solutions, LLC
Mesa Disposal, Inc.
Mesquite Landfill TX, LP
Mexia Landfill TX, LP
M-G Disposal Service, LLC*
Midway Development Company, Inc.
Mississippi Waste Paper Company
Missouri City Landfill, LLC
Modern-Mallard Energy, LLC*†
Morehead Landfill General Partnership
Mountain Home Disposal, Inc.
N Leasing Company, LLC
NationsWaste Catawba Regional Landfill, Inc.
NationsWaste, Inc.
Ncorp, Inc.
New Morgan Landfill Company, Inc.
New York Waste Services, LLC
Newco Waste Systems of New Jersey, Inc.
Newton County Landfill Partnership
Noble Road Landfill, Inc.
Northeast Landfill, LLC
Northlake Transfer, Inc.
Northwest Tennessee Disposal Corporation
Oakland Heights Development, Inc.
Obscurity Land Development, LLC
Oceanside Waste and Recycling Services
Ohio Republic Contracts, II, Inc.
Ohio Republic Contracts, Inc.
Oklahoma City Landfill, L.L.C.
Oscar's Collection System of Fremont, Inc.
Otay Landfill, Inc.
Ottawa County Landfill, Inc.
Packerton Land Company, L.L.C.
Palomar Transfer Station, Inc.
Panama Road Landfill, TX, L.P.

Paradise Waste TS, Inc.
Peltier Real Estate Company
Peninsula Waste Systems, LLC*
Perdomo & Sons, Inc.
Perdomo/BLT Enterprises, LLC*
Pinal County Landfill Corp.
Pine Bend Holdings, LLC*
Pine Hill Farms Landfill TX, LP
Pinecrest Landfill OK, LLC
Pittsburg County Landfill, Inc.
Pleasant Oaks Landfill TX, LP
Polk County Landfill, LLC
Port Clinton Landfill, Inc.
Portable Storage Co.
Potrero Hills Landfill, Inc.
Preble County Landfill, Inc.
Price & Sons Recycling Company
Prichard Landfill Corporation*†
Prince George's County Landfill, LLC
R.C. Miller Enterprises, Inc.
R.C. Miller Refuse Service Inc.
Rabanco Companies
Rabanco Recycling, Inc.
Rabanco, Ltd.
Ramona Landfill, Inc.
RCS, Inc.
Ref-Fuel Canda Ltd.*
Reliable Disposal, Inc.
Republic Dumpco, Inc.
Republic Environmental Technologies, Inc.
Republic Ohio Contracts, LLC
Republic Services Aviation, Inc.
Republic Services Financial LP, Inc.
Republic Services Financial, Limited Partnership
Republic Services Group, LLC
Republic Services Holding Company, Inc.
Republic Services of Arizona Hauling, LLC
Republic Services of Buffalo, LLC*
Republic Services of California Holding Company, Inc.
Republic Services of California I, LLC
Republic Services of California II, LLC
Republic Services of Canada, Inc.*
Republic Services of Colorado Hauling, LLC
Republic Services of Colorado I, LLC
Republic Services of Florida GP, Inc.
Republic Services of Florida LP, Inc.

Republic Services of Florida, Limited Partnership
Republic Services of Georgia GP, LLC
Republic Services of Georgia LP, LLC
Republic Services of Georgia, Limited Partnership
Republic Services of Indiana LP, Inc.
Republic Services of Indiana Transportation, LLC
Republic Services of Indiana, Limited Partnership
Republic Services of Kentucky, LLC
Republic Services of Maryland, LLC*
Republic Services of Michigan Hauling, LLC
Republic Services of Michigan Holding Company, Inc.
Republic Services of Michigan I, LLC
Republic Services of Michigan II, LLC
Republic Services of Michigan III, LLC
Republic Services of Michigan IV, LLC
Republic Services of Michigan V, LLC
Republic Services of New Jersey, LLC
Republic Services of North Carolina, LLC
Republic Services of Ohio Hauling, LLC
Republic Services of Ohio I, LLC
Republic Services of Ohio II, LLC
Republic Services of Ohio III, LLC
Republic Services of Ohio IV, LLC
Republic Services of Pennsylvania, LLC
Republic Services of South Carolina, LLC
Republic Services of Southern California, LLC
Republic Services of Tennessee, LLC*
Republic Services of Virginia, LLC
Republic Services of Wisconsin GP, LLC
Republic Services of Wisconsin LP, LLC
Republic Services of Wisconsin, Limited Partnership
Republic Services Real Estate Holding, Inc.
Republic Services Risk Management, Inc.*†
Republic Services Vasco Road, LLC
Republic Silver State Disposal, Inc.
Republic Transportation Services of Canada, Inc.
Republic Waste Services of Southern California, LLC
Republic Waste Services of Texas GP, Inc.
Republic Waste Services of Texas LP, Inc.
Republic Waste Services of Texas, Ltd.
Republic Waste, Limited Partnership*
Resource Recovery, Inc.
RI/Alameda Corp.
Richmond Sanitary Service, Inc.
Rio Grande Valley Landfill TX, LP
Risk Services, Inc.

RITM, LLC
Rock Road Industries, Inc.
Roosevelt Associates*†
Ross Bros. Waste & Recycling Co.
Rossman Sanitary Service, Inc.
Roxana Landfill, Inc.
Royal Holdings, Inc.
Royal Oaks Landfill TX, LP
RS Merger Wedge, Inc.*
RSG Cayman Group, Inc.*†
Rubbish Control, LLC
RWS Transport, L.P.
S & S Recycling, Inc.
S Leasing Company, LLC
Saguaro National Captive Insurance Company*†
Saline County Landfill, Inc.
San Diego Landfill Systems, LLC
San Marcos NCRRF, Inc.
Sand Valley Holdings, L.L.C.
Sandy Hollow Landfill Corp.
Sangamon Valley Landfill, Inc.
Sanifill, Inc.*
Sanitary Disposal Service, Inc.
Sauk Trail Development, Inc.
Schofield Corporation of Orlando
Show-Me Landfill, LLC
Shred — All Recycling Systems Inc.
Solano Garbage Company
Source Recycling, Inc.
South Central Texas Land Co. TX, LP
South Trans, Inc.*
Southeast Landfill, LLC
Southern Illinois Regional Landfill, Inc.
Southwest Landfill TX, LP
Springfield Environmental General Partnership
St. Bernard Parish Development Company, LLC
St. Joseph Landfill, LLC
Standard Disposal Services, Inc.
Standard Environmental Services, Inc.
Standard Waste, Inc.
Streator Area Landfill, Inc.
Suburban Transfer, Inc. [DE]
Suburban Transfer, Inc. [IL]
Suburban Warehouse, Inc.
Summit Waste Systems, Inc.
Sunrise Sanitation Service, Inc.

Sunset Disposal Service, Inc.
Sunset Disposal, Inc.
Sycamore Landfill, Inc.
Tate's Transfer Systems, Inc.
Tay-Ban Corporation
Taylor Ridge Landfill, Inc.
Tennessee Union County Landfill, Inc.
Tessman Road Landfill TX, LP
The Ecology Group, Inc.
Thomas Disposal Service, Inc.
Tippecanoe County Waste Services Partnership
Tom Luciano's Disposal Service, Inc.
Total Roll-Offs, L.L.C.
Total Solid Waste Recyclers, Inc.
Tricil (N.Y.), Inc.
Tri-County Refuse Service, Inc.
Tri-State Recycling Services, Inc.
Tri-State Refuse Corporation
Turkey Creek Landfill TX, LP
United Disposal Service, Inc.
Upper Rock Island County Landfill, Inc.
Valley Landfills, Inc.
VHG, Inc.*
Victoria Landfill TX, LP
Vining Disposal Service, Inc.
Warner Hill Development Company*
Warrick County Development Company
Wasatch Regional Landfill, Inc.
Waste Control Systems, Inc.
Waste Services of New York, Inc.
Wastehaul, Inc.
Wayne County Land Development, LLC
Wayne County Landfill IL, Inc.
Wayne Developers, LLC
WDTR, Inc.
Webster Parish Landfill, L.L.C.
West Contra Costa Energy Recovery Company
West Contra Costa Sanitary Landfill, Inc.
West County Landfill, Inc.
West County Resource Recovery, Inc.
Whispering Pines Landfill TX, LP
Willamette Resources, Inc.
Williams County Landfill Inc.
Willow Ridge Landfill, LLC
Wilshire Disposal Services, Inc.*
WJR Environmental, Inc.

Woodlake Sanitary Service, Inc.
Zakaroff Services

* All Subsidiaries, other than those marked with an asterisk, are Material Subsidiaries.

† All Excluded Subsidiaries are marked with a cross.

Part (b) — Minority Interests

572060 B.C., Ltd.*

BFGSI Series 1997 — A Trust

Champlin Refuse, Inc.*

Congress Development Co.*

EcoSort, L.L.C.*

Evergreen National Indemnity Company*

Foothill Sanitary Landfill, Inc.*

Marion Resource Recovery Facility, LLC*

Minneapolis Refuse, Incorporated*

EXISTING LIENS

Delaware Secretary of State

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Carter Machinery Co., Inc., as secured party, filed under file number 42154963 on August 2, 2004.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Toyota Motor Credit Corporation, as secured party, filed under file number 42198184 on August 5, 2004.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Carter Machinery Co., Inc., as secured party, filed under file number 42254516 on August 11, 2004.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Marlin Leasing Corp., as secured party, filed under file number 42624940 on September 20, 2004.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and CIT Communications Finance Corporation, as secured party, filed under file number 43031848 on October 27, 2004.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Rudd Equipment Company, as secured party, filed under file number 51086397 on April 4, 2005.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Sitec Business Services as secured party, filed under file number 53329985 on October 26, 2005.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and US Express Leasing, Inc., as secured party, filed under file number 61908615 on June 6, 2006.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Cisco Systems Capital Corporation, as secured party, filed under file number 62381184 on July 11, 2006.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Marlin Leasing Corp., as secured party, filed under file number 64550471 on December 28, 2006.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and GreatAmerica Leasing Corporation, as secured party, filed under file number 20071566909 on April 26, 2007.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Cashman Equip Rental Co., as secured party, filed under file number 20072139003 on June 7, 2007.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Marlin Leasing Corp., as secured party, filed under file number 20072172434 on June 11, 2007.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and US Bancorp, as secured party, filed under file number 20074192638 on November 2, 2007.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and US Bancorp, as secured party, filed under file number 20080975753 on March 20, 2008.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Marlin Leasing Corp., as secured party, filed under file number 20081762978 on May 22, 2008.

UCC-1 Financing Statement naming Consolidated Disposal Service, LLC, as debtor, and US Bancorp, as secured party, filed under file number 20081165727 on April 3, 2008.

UCC-1 Financing Statement naming Modern-Mallard Energy, LLC, as debtor, and Caterpillar Financial Services Corp., as secured party, filed under file number 62030799 on June 14, 2006.

UCC-1 Financing Statement naming Modern-Mallard Energy, LLC, as debtor, and Caterpillar Financial Services Corp., as secured party, filed under file number 62031128 on June 14, 2006.

UCC-1 Financing Statement naming Modern-Mallard Energy, LLC, as debtor, and Caterpillar Financial Services Corp., as secured party, filed under file number 62031243 on June 14, 2006.

UCC-1 Financing Statement naming Modern-Mallard Energy, LLC, as debtor, and Caterpillar Financial Services Corp., as secured party, filed under file number 62031284 on June 14, 2006.

UCC-1 Financing Statement naming Modern-Mallard Energy, LLC, as debtor, and Caterpillar Financial Services Corp., as secured party, filed under file number 62031342 on June 14, 2006.

UCC-1 Financing Statement naming Republic Services of Florida LP, Inc., as debtor, and US Bancorp, as secured party, filed under file number 20072832136 on July 26, 2007.

UCC-1 Financing Statement naming Republic Services of Florida LP, Inc., as debtor, and US Bancorp, as secured party, filed under file number 20080474849 on February 7, 2008.

UCC-1 Financing Statement naming Republic Services of Florida, Limited Partnership, as debtor, and FleetPride, Inc., as secured party, filed under file number 22363491 on September 19, 2002 (with a continuation statement filed on July 27, 2007).

UCC-1 Financing Statement naming Republic Services of Florida, Limited Partnership, as debtor, and CitiCorp Leasing, Inc., as secured party, filed under file number 40640971 on March 5, 2004.

UCC-1 Financing Statement naming Republic Services of Florida, Limited Partnership, as debtor, and US Bancorp, as secured party, filed under file number 20080730539 on February 28, 2008.

UCC-1 Financing Statement naming Republic Services of Georgia, Limited Partnership, as debtor, and US Bancorp, as secured party, filed under file number 20073719217 on October 2, 2007.

UCC-1 Financing Statement naming Republic Services of Indiana, Limited Partnership, as debtor, and Inter-Tel Leasing, Inc., as secured party, filed under file number 63259207 on September 21, 2006.

UCC-1 Financing Statement naming Republic Services of South Carolina, LLC, as debtor, and Blanchard Machinery Company, as secured party, filed under file number 42817767 on October 7, 2004.

UCC-1 Financing Statement naming Republic Services of South Carolina, LLC, as debtor, and US Bancorp, as secured party, filed under file number 20081779097 on May 22, 2008.

UCC-1 Financing Statement naming Republic Services of South Carolina, LLC, as debtor, and US Bancorp, as secured party, filed under file number 20081794229 on May 23, 2008.

UCC-1 Financing Statement naming Republic Services of Wisconsin LP, LLC, as debtor, and US Bancorp, as secured party, filed under file number 20073094975 on August 14, 2007.

Florida — Secured Transaction Registry

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and Citicorp Vendor Finance, Inc., as secured party, filed under file number 200100074422 on April 5, 2001 (with a continuation statement filed on April 5, 2006).

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and CIT Communications Finance Corporation, as secured party, filed under file number 200304802466 on August 26, 2003.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and US Bancorp, as secured party, filed under file number 20060409881 on November 9, 2006.

UCC-1 Financing Statement naming Republic Services, Inc., as debtor, and US Bancorp as secured party, filed under file number 200704716486 on February 1, 2007.

Judgment Lien, naming Republic Services, Inc., as debtor, and Velocity Investments, LLC, as creditor, filed under file number J07000407216 on December 12, 2007 in the amount of \$9,524.48.

California Secretary of State

UCC-1 Financing Statement naming Potrero Hills Landfill, Inc., as debtor, and United Rentals Northwest, Inc., as secured party, filed under file number 08-7142219569 on January 3, 2008.

UCC-1 Financing Statement naming Patrero Hills Landfill, Inc., as debtor, and United Rentals Northwest, Inc., as secured party, filed under file number 08-714220591 on January 3, 2008.

UCC-1 Financing Statement naming Solano Garbage Company, as debtor, and US Bancorp, as secured party, filed under file number 08-7159773148 on May 30, 2008.

Michigan Department of State

UCC-1 Financing Statement naming FLL, Inc., as debtor, and Wolverine Tractor & Equipment Co., as secured party, filed under file number 2004223312-0 on November 15, 2004.

UCC-1 Financing Statement naming FLL, Inc., as debtor, and Michigan Tractor and Machinery Co., as secured party, filed under file number 2006091795-6 on May 19, 2006.

UCC-1 Financing Statement naming Reliable Disposal, Inc., as debtor, and Ervin Leasing Company, as secured party, filed under file number 2005099327-1 on June 1, 2005.

UCC-1 Financing Statement naming Reliable Disposal, Inc., as debtor, and Ervin Leasing Company, as secured party, filed under file number 2005099328-3 on June 1, 2005.

UCC-1 Financing Statement naming Reliable Disposal, Inc., as debtor, and US Bancorp, as secured party, filed under file number 2008129227-2 on August 15, 2008.

Kentucky Secretary of State

UCC-1 Financing Statement naming Republic Services of Kentucky, LLC, as debtor, and US Bancorp, as secured party, filed under file number 2008-2318717-99 on May 19, 2008.

Virginia State Corporation Commission

UCC-1 Financing Statement naming 623 Landfill, Inc., as debtor, and Carter Machinery Co., Inc., as secured party, filed under file number 0311067013-5 on November 16, 2003.

UCC-1 Financing Statement naming Republic Services of Virginia, LLC, as debtor, and CIT Communications Finance Corp., as secured party, filed under file number 0410287371-9 on October 28, 2004.

Tennessee Secretary of State

UCC-1 Financing Statement naming Barker Brothers Waste Incorporated, as debtor, and Fork Lift Tires of West Tennessee, as secured party, filed under file number 104-060764 on November 5, 2004.

Nevada Secretary of State

UCC-1 Financing Statement naming Republic Silver State Disposal, Inc., as debtor, and Wells Fargo Financial Leasing, Inc., as secured party, filed under file number 2004002009-0 on January 21, 2004.

UCC-1 Financing Statement naming Republic Silver State Disposal, Inc., as debtor, and Wells Fargo Financial Leasing, Inc., as secured party, filed under file number 2004017781-3 on June 7, 2004.

Maryland Department of Assessments and Taxation

UCC-1 Financing Statement naming Honeygo Run Reclamation Center, Inc., as debtor, and United Rentals, Inc., as secured party, filed under file number 181298617 on March 6, 2007.

Ohio Secretary of State

UCC-1 Financing Statement naming Republic Services of Ohio III, LLC, as debtor, and GFC Leasing, as secured party, filed under file number OH00084527177 on December 14, 2004.

Illinois Secretary of State

UCC-1 Financing Statement naming ARC Disposal Company, Inc., as debtor, and GFC Leasing, as secured party, filed under file number 08952205 on August 3, 2004.

UCC-1 Financing Statement naming ARC Disposal Company, Inc., as debtor, and GFC Leasing, as secured party, filed under file number 11275990 on August 24, 2006.

UCC-1 Financing Statement naming ARC Disposal & Recycling Company, Inc., as debtor, and US Bancorp, as secured party, filed under file number 13251711 on May 14, 2008.

Texas Secretary of State

UCC-1 Financing Statement naming Republic Waste Services of Texas, Ltd., as debtor, and Hoss equipment Co., as secured party, filed under file number 06-0000932787 on January 10, 2006.

Deeds of Trust

1. Deed of Trust and Fixture Filing, made as of October 1, 2006, by Allied Waste Transfer Services of California, LLC in favor of First American Title Insurance Company and Saguaro National Captive Insurance Company ("Saguaro"), with regard to real property in the County of Los Angeles, securing the Promissory Note, dated October 1, 2006 by Awin Management, Inc. payable to Saguaro.
2. Indemnity Deed of Trust and Fixture Filing, made as of October 1, 2006, by Browning-Ferris, Inc. in favor of First American Title Insurance Company and Saguaro, with regard to real property in the County of Baltimore, securing the Promissory Note dated October 1, 2006 by Awin Management, Inc. payable to Saguaro.
3. Open-End Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, effective as of June 1, 2004, by Browning-Ferris Industries of Ohio, Inc. in favor of Saguaro, with regard to real property in Mahoning County, Ohio, securing the Promissory Note dated June 1, 2004 by Awin Management, Inc. to Saguaro.
4. Trust Deed, made on June 1, 2003, by Valley Landfills, Inc. in favor of Saguaro, with regard to real property in Benton County, Oregon, securing the Promissory Note dated June 1, 2003 by Valley Landfills, Inc. to Saguaro.
5. Deed of Trust Assignment of Leases and Rents, Security Agreement and Fixture Filing, made as of June 1, 2002, by BFI Waste Systems of North America, Inc. in favor of Dean Z. Pamphilis, as Trustee, and Saguaro, with regard to real property located in Hidalgo County, Texas, securing the Promissory Note dated June 1, 2002 by Awin Management, Inc. to Saguaro.
6. Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing made as of November 1, 2008 with respect to the real property known as 7th Street, Phoenix, AZ, Tax Parcel ID numbers 112-33-041, 112-33-042, 112-33-043, 112-33-044, 112-33-045, 112-33-081, 112-40-002, 112-40-004.
7. Mortgage and Security Agreement, Assignment of Leases and Rents and Fixture Filing made as of November 1, 2008 with respect to real property known as 920 East 132nd Street, Bronx, New York, Tax Parcel ID numbers 02583-00050, 02583-00062 and 02596-00060.
8. Existing Liens in favor of Saguaro related to real estate subject to sale-leaseback arrangements.

The Liens in items 1 through 8 above are referred to as the "Saguaro Liens".

The following additional Liens are on record:

ACTION DISPOSAL, INC.

Texas Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 9300210812 Secured Party: Financial Federal Credit Inc. Date Filed: 11-01-93	N/A	N/A	N/A	N/A	N/A
Partial Release: # 9400649510 Date Filed: 04-21-94					
Continuation: # 9800657299 Date Filed: 05-04-98					
Termination: # 0200011063 Date Filed: 09-14-01					
Continuation: # 0400456562 Date Filed: 10-22-03					
Continuation: # 0400463732 Date Filed: 10-29-03					
UCC: # 9900140380 Secured Party: Financial Federal Credit Inc. Date Filed: 07-12-99					
Termination: # 0200011307 Date Filed: 09-14-01					
Continuation: # 0400688588 Date Filed: 05-21-04					

AGRI-TECH, INC. OF OREGON

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 7787219

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-01-07

Assignment: # 7787219-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

ALBANY—LEBANON SANITATION, INC.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-04-08
Unlapsed and Terminated

UCC: # 6711796

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711796-1
Date Filed: 10-12-04

UCC: # 7790381

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790381-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

ALLIED SERVICES, LLC

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 61538966 Secured Party: GreatAmerica Leasing Corporation Date Filed: 05-08-06	N/A	N/A	N/A	N/A	N/A
UCC: # 2007 4190962 Secured Party: Wachovia Bank, National Association Date Filed: 11-02-07					
Assignment: # 2008 1858339 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

ALLIED WASTE INDUSTRIES (ARIZONA), INC.

Arizona Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200413023480 Secured Party: CIT Technology Financing Services, Inc. Date Filed: 02-24-04	N/A	N/A	N/A	N/A	N/A
UCC: # 200715118882 Secured Party: Wachovia Bank, N.A. Date Filed: 11-15-07					
Assignment: # 200715118882 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

ALLIED WASTE INDUSTRIES, INC.

Arizona Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200513639419 Secured Party: RDO Equipment Company Date Filed: 05-04-05	N/A	N/A	N/A	N/A	N/A
UCC: # 200614255022 Secured Party: Savin Corporation Date Filed: 06-16-06					
UCC: # 200815411540 Secured Party: FleetPride, Inc. Date Filed: 05-28-08					
UCC: # 200815431691 Secured Party: US Bancorp Date Filed: 06-10-08					
UCC: # 200815431726 Secured Party: US Bancorp Date Filed: 06-10-08					
UCC: # 200815431737 Secured Party: US Bancorp Date Filed: 06-10-08					

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 31265092 Secured Party: Marlin Leasing Corp Date Filed: 05-19-03	N/A	N/A	N/A	N/A	N/A
Continuation: # 2008 1371291 Date Filed: 04-21-08					
UCC: # 40165862 Secured Party: Banc One Leasing Corporation Date Filed: 01-21-04					
UCC: # 40165995 Secured Party: Banc One Leasing Corporation Date Filed: 01-21-04					
UCC: # 40460941 Secured Party: Banc One Leasing Corporation Date Filed: 02-19-04					
UCC: # 40486748 Secured Party: CIT Technology Financing Services, Inc. Date Filed: 02-23-04					

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

UCC: # 40696783

Secured Party: Banc One Leasing Corporation
Date Filed: 03-12-04

Amendment: # 62266351
Date Filed: 06-30-06

UCC: # 41961558
Secured Party: IBM Credit LLC
Date Filed: 07-13-04

UCC: # 42579102
Secured Party: Stearns Bank N.A.
Date Filed: 09-08-04

UCC: # 50243858
Secured Party: IBM Credit LLC
Date Filed: 01-21-05

UCC: # 51349811
Secured Party: RDO Equipment Company
Date Filed: 05-03-05

UCC: # 61868165
Secured Party: Savin Corporation
Date Filed: 05-31-06

UCC: # 62552180
Secured Party: US Express Leasing, Inc.
Date Filed: 07-24-06

UCC: # 62714053
Secured Party: Dolphin Capital Corporation
Date Filed: 08-04-06

UCC: # 64164612
Secured Party: Banc of America Leasing &
Capital, LLC
Date Filed: 11-30-06

UCC: # 64443859
Secured Party: Marlin Leasing Corp
Date Filed: 12-19-06

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2007 3036638 Secured Party: RDO Equipment Company Date Filed: 08-09-07					
Termination: # 2007 3759114 Date Filed: 10-04-07					
UCC: # 2007 4561337 Secured Party: US Bancorp Date Filed: 12-04-07					
UCC: # 2007 4785332 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-18-07					
UCC: # 2007 4794284 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-19-07					
UCC: # 2007 4794367 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-19-07					
UCC: # 2007 4794607 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-19-07					
UCC: # 2007 4794664 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-19-07					
UCC: # 2007 4794821 Secured Party: Inter-Tel Leasing, Inc. Date Filed: 12-19-07					
UCC: # 2008 1705480 Secured Party: RDO Equipment Company Date Filed: 05-16-08					
UCC: # 2008 2000790 Secured Party: US Bancorp Date Filed: 06-11-08					
UCC: # 2008 2043881 Secured Party: Linder Industrial Machinery Company Date Filed: 06-16-08					
UCC: # 2008 2168886 Secured Party: US Bancorp Date Filed: 06-24-08					
UCC: # 2008 2203162 Secured Party: US Bancorp Date Filed: 06-26-08					
UCC: # 2008 2221511 Secured Party: US Bancorp Date Filed: 06-27-08					

ALLIED WASTE NIAGARA FALLS LANDFILL, LLC

New York Department of State

Other Search Criteria: Abstracting only. Search completed by the client and results abstracted based on material provided.

UCC FINANCING

STATEMENTS

Through 10-29-08

Unlapsed and Terminated

UCC: # 200711010850901

Secured Party: Wachovia Bank, N.A.

Date Filed: 11-01-07

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

Assignment: # 200806020389385

Secured Party: Calyon New York Branch

Date Filed: 06-02-08

ALLIED WASTE NORTH AMERICA, INC.

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated <hr/> UCC: # 50385428	<u>FEDERAL TAX</u> <u>LIENS</u> <hr/> N/A	<u>STATE TAX LIENS</u> <hr/> N/A	<u>JUDGMENTS /</u> <u>JUDGMENT LIENS</u> <hr/> N/A	<u>PENDING</u> <u>SUITS</u> <hr/> N/A	<u>BANKRUPTCY</u> <hr/> N/A
Secured Party: General Electric Capital Corporation Date Filed: 02-03-05					
UCC: # 50663311 Secured Party: General Electric Capital Corporation Date Filed: 03-02-05					
UCC: # 53021129 Secured Party: General Electric Capital Corporation Date Filed: 09-29-05					
UCC: # 63589785 Secured Party: United Rentals (North America), Inc. Date Filed: 10-17-06					
Termination: # 2007 0093012 Date Filed: 01-09-07					
UCC: # 2007 1573616 Secured Party: Mission Economic Development Corporation Date Filed: 04-26-07					
UCC: # 2007 4899588 Secured Party: North American Communications Resource, Inc. Date Filed: 12-28-07					
UCC: # 2008 1765617 Secured Party: Mission Economic Development Corporation Date Filed: 05-22-08					
UCC: # 2008 1993714 Secured Party: Calyon New York Branch Date Filed: 06-11-08					

ALLIED WASTE SYSTEMS, INC.

Delaware Secretary Of State

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS /
JUDGMENT LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 20100051

N/A

N/A

N/A

N/A

N/A

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 12-07-01

Continuation: # 63753282
Date Filed: 10-10-06

UCC: # 20101158

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 12-07-01

Continuation: # 64139838
Date Filed: 11-08-06

UCC: # 20101166

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 12-07-01

Continuation: # 64139333
Date Filed: 11-08-06

UCC: # 20101182

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 12-07-01

Continuation: # 64139093
Date Filed: 11-08-06

UCC: # 20101190

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 12-07-01

Continuation: # 64139028
Date Filed: 11-08-06

UCC: # 20359640

Secured Party: Bridgestone/Firestone, Inc.
Date Filed: 01-18-02

Continuation: # 64140216
Date Filed: 11-08-06

Continuation: # 64513610
Date Filed: 12-18-06

UCC: # 41668286

Secured Party: Inter-Tel Leasing, Inc.
Date Filed: 06-17-04

UCC: # 50654047

Secured Party: General Electric
Capital Corporation
Date Filed: 03-01-05

UCC: # 52127703

Secured Party: California First
Leasing Corporation
Date Filed: 07-11-05

Amendment: # 52905488
Date Filed: 09-20-05

Amendment: # 52991280
Date Filed: 09-22-05



UCC FINANCING STATEMENTSThrough 09-05-08
Unlapsed and Terminated**FEDERAL TAX
LIENS****STATE TAX LIENS****JUDGMENTS /
JUDGMENT LIENS****PENDING
SUITS****BANKRUPTCY**

UCC: # 53490860

Secured Party: California First
Leasing Corporation
Date Filed: 11-09-05

UCC: # 53538890

Secured Party: Beckwith Machinery Company
Date Filed: 11-15-05

UCC: # 60515353

Secured Party: Ervin Leasing Company
Date Filed: 02-03-06

UCC: # 61534817

Secured Party: California First
Leasing Corporation
Date Filed: 05-05-06

Amendment: # 61652676

Date Filed: 05-16-06

UCC: # 64233052

Secured Party: RBS Asset Finance, Inc.
Date Filed: 12-05-06

UCC: # 2007 0021302

Secured Party: RBS Asset Finance, Inc.
Date Filed: 01-03-07

UCC: # 2007 0859578

Secured Party: Inter-Tel Leasing, Inc.
Date Filed: 03-07-07

UCC: # 2007 0859669

Secured Party: Inter-Tel Leasing, Inc.
Date Filed: 03-07-07

UCC: # 2007 2301595

Secured Party: RBS Asset Finance, Inc.
Date Filed: 06-18-07

UCC: # 2007 2301603

Secured Party: RBS Asset Finance, Inc.
Date Filed: 06-18-07

UCC: # 2007 4191663

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Amendment: # 2008 1858206

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

UCC: # 2007 4427810

Secured Party: CIT Communications
Finance Corp.
Date Filed: 11-20-07

UCC: # 2008 0102192

Secured Party: General Electric
Capital Corporation
Date Filed: 01-09-08

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS /
JUDGMENT LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 2008 0476000

Secured Party: US Bancorp

Date Filed: 02-08-08

UCC: # 2008 1697034

Secured Party: Bridgestone/Firestone

North America Tire

Date Filed: 05-12-08

UCC: # 2008 3053335

Secured Party: US Bancorp

Date Filed: 09-10-08

ALLIED WASTE TRANSFER SERVICES OF NEW YORK, LLC

New York Department of State

Other Search Criteria: Abstracting only. Search completed by the client and results abstracted based on material provided.

UCC FINANCING

STATEMENTS

Through 10-29-08

Unlapsed and Terminated

UCC: # 200711010850886

Secured Party: Wachovia Bank, N.A.

Date Filed: 11-01-07

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

Assignment: # 200806020389347

Secured Party: Calyon New York Branch

Date Filed: 06-02-08

ALLIED WASTE TRANSPORTATION, INC.

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS /</u> <u>JUDGMENT LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2007 4191119 Secured Party: Wachovia Bank, National Association Date Filed: 11-02-07	N/A	N/A	N/A	N/A	N/A
Assignment: # 2008 1857992 Secured Party: Calyon New York Branch Date Filed: 05-30-08					
UCC: # 2007 4559760 Secured Party: US Bancorp Date Filed: 12-03-07					
UCC: # 2007 4559778 Secured Party: US Bancorp Date Filed: 12-03-07					
UCC: # 2008 2701363 Secured Party: US Bancorp Date Filed: 08-06-08					
UCC: # 2008 2737433 Secured Party: CIT Communications Finance Corporation Date Filed: 08-11-08					

AMERICAN DISPOSAL SERVICES OF ILLINOIS, INC.

Delaware Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 42794917

Secured Party: Wachovia Bank
Date Filed: 10-05-04

UCC: # 2007 4191622

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1857935

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

AMERICAN DISPOSAL SERVICES OF KANSAS, INC.

Kansas Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-10-08
Unlapsed and Terminated

UCC: # 6422323

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-01-07

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

Assignment: # 6495345

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

AMERICAN DISPOSAL SERVICES OF MISSOURI, INC.

Oklahoma Oklahoma County Clerk, Central Filing Office

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2002000853727 Secured Party: Bridgestone/Firestone N. American Tire, LLC Date Filed: 01-18-02	N/A	N/A	N/A	N/A	N/A
Continuation: # 2006014941936 Date Filed: 12-19-06					
UCC: # 2004012341421 Secured Party: Wachovia Bank, N.A. Date Filed: 10-07-04					
Assignment: # A2008006251832 Secured Party: Calyon New York Branch Date Filed: 06-02-08					
UCC: # 2007013276028 Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07					
Termination: # T2008006251529 Date Filed: 06-02-08					

AMERICAN DISPOSAL SERVICES OF WEST VIRGINIA, INC.

Delaware Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 42794768

Secured Party: Wachovia Bank
Date Filed: 10-05-04

Amendment: # 42863340
Date Filed: 10-12-04

UCC: # 2007 4191465
Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1857869
Secured Party: Calyon New York Branch
Date Filed: 05-30-08

AMERICAN TRANSFER COMPANY, INC.

New York Department of State

Other Search Criteria: Abstracting only. Search completed by the client and results abstracted based on material provided.

<u>UCC FINANCING STATEMENTS</u> Through 10-29-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 139024 Secured Party: Citicorp USA, Inc. Date Filed: 06-29-98 Termination: # 161617 Date Filed: 08-11-99	N/A	N/A	N/A	N/A	N/A

AWIN LEASING COMPANY, INC.

Delaware Secretary Of State

UCC FINANCING STATEMENTS

Through 09-05-08

Unlapsed and Terminated

UCC: # 22427338

Secured Party: General Electric Capital
Corporation
Date Filed: 09-24-02

Continuation: # 2007 1856458

Date Filed: 05-17-07

UCC: # 32469032

Secured Party: Banc One
Leasing Corporation
Date Filed: 09-24-03

UCC: # 43446038

Secured Party: General Electric Capital
Corporation
Date Filed: 12-07-04

FEDERAL TAX LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

AWIN MANAGEMENT, INC.

Delaware Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-05-08
Unlapsed and Terminated

UCC: # 50121765

Secured Party: J.W. Burress, Inc.

Date Filed: 01-07-05

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

BFI TRANSFER SYSTEMS OF TEXAS, LP

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 2007 4146212

Secured Party: Wachovia Bank
Date Filed: 10-31-07

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

Assignment: # 2008 1966074

Secured Party: Calyon New York Branch
Date Filed: 06-09-08

BFI WASTE SERVICES OF INDIANA, LP

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 2007 4191358

Secured Party: Wachovia Bank
Date Filed: 11-02-07

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

Assignment: # 2008 1857471

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

BFI WASTE SERVICES OF PENNSYLVANIA, LLC

Pennsylvania Department Of State

UCC FINANCING STATEMENTS

Through 09-02-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 2005020802044

N/A

N/A

N/A

N/A

N/A

Secured Party: DyChem International
Date Filed: 02-04-05

UCC: # 2007110600695

Secured Party: Wachovia Bank,
National Association
Date Filed: 11-05-07

Assignment: # 2008060302959

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

BFI WASTE SERVICES OF TEXAS, LP

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS /</u> <u>JUDGMENT LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 41960980 Secured Party: Bridgestone/Firestone North American Tire, LLC Date Filed: 07-09-04	N/A	N/A	N/A	N/A	N/A
UCC: # 2007 4191416 Secured Party: Wachovia Bank Date Filed: 11-02-07					
Assignment: # 2008 1857406 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

BFI WASTE SERVICES, LLC

Delaware Secretary Of State

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS /
JUDGMENT LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 20106587

N/A

N/A

N/A

N/A

N/A

Secured Party: Bridgestone/Firestone N.
American Tire, LLC
Date Filed: 12-10-01

Continuation: # 64142931
Date Filed: 11-08-06

UCC: # 20373641
Secured Party: Bridgestone/Firestone N.
American Tire, LLC
Date Filed: 01-22-02

Continuation: # 64513487
Date Filed: 12-18-06

UCC: # 41713132
Secured Party: Wells Fargo Financial Leasing
Date Filed: 06-07-04

UCC: # 42102962
Secured Party: GreatAmerica Leasing Corporation
Date Filed: 07-27-04

UCC: # 50041997
Secured Party: Electro Graphic Products , Inc.
Date Filed: 01-05-05

UCC: # 61757814
Secured Party: GreatAmerica Leasing Corporation
Date Filed: 05-24-06

UCC: # 2007 4191523
Secured Party: Wachovia Bank,
National Association
Date Filed: 11-02-07

Assignment: # 2008 1974383
Secured Party: Calyon New York Branch
Date Filed: 06-10-08

BFI WASTE SYSTEMS OF GEORGIA, LLC

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 2007 4146378

Secured Party: Wachovia Bank
Date Filed: 10-31-07

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

Assignment: # 2008 1857224

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

BFI WASTE SYSTEMS OF NEW JERSEY, INC.

New Jersey Division Of Revenue / Superior Court (Trenton)

<u>UCC FINANCING STATEMENTS</u> Through 08-29-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u> Through 08-29-08 Active	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 22604408 Secured Party: Wachovia Bank Date Filed: 10-06-04	N/A	N/A	CLEAR	N/A	N/A
UCC: # 24439565 Secured Party: Wachovia Bank Date Filed: 11-05-07					
Assignment: # 24439565 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

BFI WASTE SYSTEMS OF NORTH AMERICA, LLC.

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS /</u> <u>JUDGMENT LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 21443252 Secured Party: Bridgestone/Firestone N. American Tire, LLC Date Filed: 05-17-02	N/A	N/A	N/A	N/A	N/A
Continuation: # 2007 1388833 Date Filed: 04-09-07					
UCC: # 21443393 Secured Party: Bridgestone/Firestone N. American Tire, LLC Date Filed: 05-17-02					
Continuation: # 2007 1389039 Date Filed: 04-09-07					
UCC: # 22452674 Secured Party: Bridgestone/Firestone N. American Tire, LLC Date Filed: 09-23-02					
Continuation: # 2007 3108312 Date Filed: 07-30-07					
UCC: # 33066373 Secured Party: GreatAmerica Leasing Corporation Date Filed: 11-20-03					
UCC: # 42249375 Secured Party: Solae, LLC Date Filed: 08-10-04					
UCC: # 50148610 Secured Party: TLC Office Systems LLC Date Filed: 01-13-05					
UCC: # 52676717 Secured Party: Van Dyk Business Systems Date Filed: 08-29-05					
UCC: # 53345700 Secured Party: Les Schwab Warehouse Center, Inc. Date Filed: 10-27-05					
UCC: # 61196609 Secured Party: Van Dyk Business Systems Date Filed: 04-10-06					
UCC: # 62531739 Secured Party: Herc Exchange, LLC Date Filed: 07-21-06					
UCC: # 2007 4191408 Secured Party: Wachovia Bank Date Filed: 11-02-07					
Assignment: # 2008 1857117 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

UCC: # 2008 1424033

Secured Party: US Bancorp

Date Filed: 04-23-08

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS /
JUDGMENT LIENS**

**PENDING
SUITS**

BANKRUPTCY

BROWNING FERRIS INC.

Maryland Department Of Assessments And Taxation

Other Search Criteria: Abstracting only. Search completed by the client and results abstracted based on material provided.

<u>UCC FINANCING STATEMENTS</u> Through 10-15-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 0000000121958091 Secured Party: Bridgestone/Firestone, Inc. Date Filed: 07-13-92	N/A	N/A	N/A	N/A	N/A
Amendment: # 1000351989877315 Secured Party: Bridgestone/Firestone N. American Tire, LLC Date Filed: 05-21-04					

BROWNING-FERRIS INDUSTRIES OF CALIFORNIA, INC.

California Secretary of State

**UCC FINANCING
STATEMENTS**

Through 09-10-08
Unlapsed and Terminated

UCC: # 07-7135147146

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-31-07

Assignment: # 08-71599158

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

Through 09-10-08
Active

CLEAR

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

BROWNING-FERRIS INDUSTRIES OF FLORIDA, INC.

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 33120014 Secured Party: Thompson Tractor Co., Inc. Date Filed: 11-26-03	N/A	N/A	N/A	N/A	N/A
UCC: # 40674871 Secured Party: Thompson Tractor Co., Inc. Date Filed: 03-10-04					
UCC: # 42045823 Secured Party: Thompson Tractor Co., Inc. Date Filed: 07-21-04					
UCC: # 42285734 Secured Party: Thompson Tractor Co., Inc. Date Filed: 08-13-04					
UCC: # 42544015 Secured Party: Thompson Tractor Co., Inc. Date Filed: 09-10-04					
UCC: # 43682384 Secured Party: Thompson Tractor Co., Inc. Date Filed: 12-30-04					
UCC: # 51173732 Secured Party: Thompson Tractor Co., Inc. Date Filed: 04-15-05					
UCC: # 61506757 Secured Party: Thompson Tractor Co., Inc. Date Filed: 05-04-06					
UCC: # 63971421 Secured Party: Thompson Tractor Co., Inc. Date Filed: 11-14-06					

BROWNING-FERRIS INDUSTRIES OF OHIO, INC.

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 2007 4191382

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1856820

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

BROWNING-FERRIS INDUSTRIES OF TENNESSEE, INC.

Tennessee Secretary Of State

**UCC FINANCING
STATEMENTS**
Through 09-11-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

UCC: # 303016120

Secured Party: Wachovia Bank
Date Filed: 03-21-03

Amendment: # 304008081
Date Filed: 02-04-04

Amendment: # 104036243
Date Filed: 06-29-04

Amendment: # 304056993
Date Filed: 10-06-04

BROWNING-FERRIS INDUSTRIES, INC.

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 22364457 Secured Party: FleetPride, Inc. Date Filed: 09-19-02	N/A	N/A	N/A	N/A	N/A
Continuation: # 2007 2841509 Date Filed: 07-27-07					
UCC: # 41375411 Secured Party: GreatAmerica Leasing Corporation Date Filed: 05-18-04					
UCC: # 52631472 Secured Party: Herc Exchange, LLC Date Filed: 08-24-05					
UCC: # 60765263 Secured Party: Herc Exchange, LLC Date Filed: 03-06-06					

BROWNING-FERRIS INDUSTRIES, INC. (MASS)

Massachusetts Secretary of the Commonwealth

**UCC FINANCING
STATEMENTS**

Through 09-11-08
Unlapsed and Terminated

UCC: # 200760883260

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-01-07

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

Through 09-01-08
Active

CLEAR

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

Assignment: # 200865968420

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

BROWNING-FERRIS, INC.

Maryland Department Of Assessments And Taxation

UCC FINANCING STATEMENTS

Through 09-08-08
Unlapsed and Terminated

UCC: # 121958091

Secured Party: Bridgestone/Firestone, Inc
Date Filed: 07-13-92

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS /
JUDGMENT LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

Continuation: # 121958091
Date Filed: 05-10-04

Amendment: # 121958091
Secured Party: Bridgestone/Firestone
North American Tire, LLC
Date Filed: 05-21-04

BRUNSWICK WASTE MANAGEMENT FACILITY, LLC

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 41189325 Secured Party: Carter Machinery Co., Inc. Date Filed: 04-29-04	N/A	N/A	N/A	N/A	N/A
UCC: # 41723321 Secured Party: Carter Machinery Co., Inc. Date Filed: 06-22-04					
UCC: # 41779208 Secured Party: Carter Machinery Co., Inc. Date Filed: 06-28-04					
UCC: # 42440032 Secured Party: Carter Machinery Co., Inc. Date Filed: 08-30-04					
UCC: # 2007 4147160 Secured Party: Wachovia Bank Date Filed: 10-31-07					
Assignment: # 2008 1856747 Secured Party: Calyon New York Branch Date Filed: 05-30-08					
UCC: # 2007 4533146 Secured Party: Carter Machinery Co., Inc. Date Filed: 11-30-07					

CAPITOL RECYCLING AND DISPOSAL, INC.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 6718538

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-12-04

UCC: # 7790397

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790397-1

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

CHEROKEE RUN LANDFILL, INC.

Ohio Secretary Of State

UCC FINANCING
STATEMENTS
Through 08-29-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # OH00067051329

Secured Party: Columbia Trailer Co., Inc.
Date Filed: 08-05-03

Assignment: # 20052230156

Secured Party: Columbia Industries LLC
Date Filed: 08-09-05

Continuation: # 20081200492
Date Filed: 04-28-08

UCC: # OH00120773446
Secured Party: Wachovia Bank
Date Filed: 11-01-07

Correction: # 20073130264
Date Filed: 11-06-07

Correction: # 20073230236
Date Filed: 11-16-07

Correction: # 20073230240
Date Filed: 11-16-07

Assignment: # 20081550674
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

CITY-STAR SERVICES, INC.

Michigan Department Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-14-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2004195847-8 Secured Party: Wachovia Bank, National Association Date Filed: 10-06-04	N/A	N/A	N/A	N/A	N/A
UCC: # 2007173146-2 Secured Party: Wachovia Bank, National Association Date Filed: 11-05-07					
Assignment: # 2008085977-8 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

CLARKSTON DISPOSAL, INC.

Michigan Department Of State

UCC FINANCING STATEMENTS

Through 09-14-08

Unlapsed and Terminated

FEDERAL TAX
LIENS

STATE TAX LIENS

JUDGMENTS / JUDGMENT
LIENS

PENDING
SUITS

BANKRUPTCY

UCC: # 2004195846-6

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia

Bank, National Association

Date Filed: 10-06-04

UCC: # 2007173148-6

Secured Party: Wachovia

Bank, National Association

Date Filed: 11-05-07

CORVALLIS DISPOSAL CO.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 6711879

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711879-1
Date Filed: 10-12-04

UCC: # 7116589

Secured Party: Fluid Connector Products, Inc.
Date Filed: 12-07-05

Termination: # 7116589-1
Date Filed: 06-15-07

UCC: # 7790408

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790408-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

COUNTY DISPOSAL (OHIO), INC.

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**
Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 42794974

Secured Party: Wachovia Bank
Date Filed: 10-05-04

UCC: # 2007 4192604

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1858180

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

COUNTY LANDFILL, INC.

Delaware Secretary Of State

UCC FINANCING STATEMENTS

Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS

STATE TAX LIENS

JUDGMENTS / JUDGMENT
LIENS

PENDING
SUITS

BANKRUPTCY

UCC: # 42795864

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank
Date Filed: 10-05-04

UCC: # 63585403

Secured Party: Siemens Financial Services, Inc.
Date Filed: 10-16-06

UCC: # 2007 4191309

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1858065

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

D & L DISPOSAL, L.L.C.

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 42795948

Secured Party: Wachovia Bank
Date Filed: 10-05-04

UCC: # 2007 4191234

Secured Party: Wachovia Bank
Date Filed: 11-02-07

Assignment: # 2008 1857976

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
N/A

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

DALLAS DISPOSAL CO.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 6711807

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711807-1
Date Filed: 10-12-04

UCC: # 7790414
Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790414-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

DELTA CONTAINER CORPORATION

California Secretary of State

**UCC FINANCING
STATEMENTS**

Through 09-10-08
Unlapsed and Terminated

UCC: # 04-7000571812

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

UCC: # 07-7135513941

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-02-07

Assignment: # 08-71599154

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

**FEDERAL TAX
LIENS**
N/A

STATE TAX LIENS
N/A

**JUDGMENTS / JUDGMENT
LIENS**
Through 09-10-08
Active
CLEAR

**PENDING
SUITS**
N/A

BANKRUPTCY
N/A

DELTA DADE RECYCLING CORP.

Florida Secured Transaction Registry / Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-09-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u> Through 09-11-08 Active	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200706942424 Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07	N/A	N/A	CLEAR	N/A	N/A

DEMPSEY WASTE SYSTEMS II, INC.

Ohio Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 08-29-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # OH00082217330

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank
Date Filed: 10-06-04

UCC: # OH00093080110

Secured Party: Inter-Tel Leasing Inc
Date Filed: 12-12-05

UCC: # OH00120875038

Secured Party: Wachovia Bank
Date Filed: 11-05-07

Assignment: # 20081550672

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

DINVERNO, INC.

Michigan Department Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-14-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2003220617-1 Secured Party: Republic Services of Michigan Hauling, LLC Date Filed: 11-17-03	N/A	N/A	N/A	N/A	N/A
UCC: # 2004195849-2 Secured Party: Wachovia Bank, National Association Date Filed: 10-06-04					
UCC: # 2007173147-4 Secured Party: Wachovia Bank, National Association Date Filed: 11-05-07					
Assignment: # 2008085978-0 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

ECDC ENVIRONMENTAL OF HUMBOLDT COUNTY, INC.

Delaware Secretary Of State

UCC FINANCING STATEMENTS
Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS /
JUDGMENT LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 33114181
Secured Party: The CIT Group/Equipment
Financing, Inc.
Date Filed: 11-25-03

ECDC ENVIRONMENTAL, L.C.

Utah Department of Commerce

<u>UCC FINANCING STATEMENTS</u> Through 09-08-08 Unlapsed and Terminated <hr/> UCC: # 99-642838	<u>FEDERAL TAX LIENS</u> N/A	<u>STATE TAX LIENS</u> N/A	<u>JUDGMENTS / JUDGMENT LIENS</u> N/A	<u>PENDING SUITS</u> N/A	<u>BANKRUPTCY</u> N/A
Secured Party: Associates Leasing, Inc. Date Filed: 05-17-99 Continuation: # 99-642838 Date Filed: 11-26-03 Amendment: # 99-642838 Date Filed: 06-21-06 Assignment: # 99-642838 Secured Party: General Electric Capital Corporation Date Filed: 06-21-06 UCC: # 227287200334 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 09-29-03 Continuation: # 227287200334 Date Filed: 07-29-08 UCC: # 243809200439 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 05-05-04 UCC: # 244144200437 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 05-11-04 UCC: # 246510200426 Secured Party: MG Finance Co., Ltd. Date Filed: 06-08-04 UCC: # 251703200429 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 08-26-04 UCC: # 251704200430 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 08-26-04 UCC: # 251945200441 Secured Party: The CIT Group/Equipment Financing, Inc. Date Filed: 08-31-04 Termination: # 251945200441 Date Filed: 09-29-04 UCC: # 254262200432 Secured Party: EquiLease, Inc. Date Filed: 10-01-04 UCC: # 257086200435 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 11-16-04					

<u>UCC FINANCING STATEMENTS</u> Through 09-08-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS /</u> <u>JUDGMENT LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 257560200430 Secured Party: Caterpillar Financial Services Corporation Date Filed: 11-23-04					
UCC: # 259378200442 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 12-22-04					
UCC: # 259379200443 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 12-22-04					
UCC: # 273464200537 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 07-05-05					
UCC: # 279612200539 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 10-04-05					
Assignment: # 279612200539 Secured Party: De Lage Landen Financial Services, Inc. Date Filed: 11-21-05					
UCC: # 285174200532 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 12-27-05					
UCC: # 299051200608 Secured Party: RBS Asset Finance, Inc. Date Filed: 07-13-06					
UCC: # 306199200608 Secured Party: RBS Asset Finance, Inc. Date Filed: 10-25-06					
UCC: # 320621200783 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 05-24-07					
UCC: # 323224200795 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 06-29-07					
UCC: # 331485200707 Secured Party: Wachovia Bank, N.A. Date Filed: 11-01-07					
Assignment: # 331485200707 Secured Party: Calyon New York Branch Date Filed: 06-03-08					
UCC: # 349969200800 Secured Party: Wells Fargo Equipment Finance, Inc. Date Filed: 08-26-08					

F. P. MCNAMARA RUBBISH REMOVAL, INC.

Massachusetts Secretary of the Commonwealth

**UCC FINANCING
STATEMENTS**

Through 09-11-08
Unlapsed and Terminated

UCC: # 200323278050

Secured Party: C.N. Wood Co., Inc.
Date Filed: 08-25-03

UCC: # 200760883170

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-01-07

Assignment: # 200865968150

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

Through 09-01-08
Active

CLEAR

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

FORWARD, INC.

California Secretary of State

UCC FINANCING
STATEMENTS

Through 09-10-08
Unlapsed and Terminated

UCC: # 07-7135148915

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-31-07

Assignment: # 08-71599164

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

Through 09-10-08
Active

CLEAR

PENDING
SUITS

N/A

BANKRUPTCY

N/A

GEK, INC.

Alabama Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-05-08
Unlapsed and Terminated

UCC: # 07-0908903

Secured Party: Wachovia Bank
Date Filed: 11-01-07

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

Assignment: # 07-0908903

Secured Party: Calyon New York Branch
Date Filed: 06-17-08

GRANTS PASS SANITATION, INC.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 6711813

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711813-1
Date Filed: 10-12-04

UCC: # 7116567

Secured Party: Fluid Connector Products, Inc.
Date Filed: 12-07-05

UCC: # 7790420

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790420-1

Secured Party: Calyon New York Branch
Date Filed: 06-02-08

GREENRIDGE RECLAMATION, LLC

Pennsylvania Department Of State

UCC FINANCING STATEMENTS

Through 09-02-08

Unlapsed and Terminated

UCC: # 2007110202982

Secured Party: Wachovia Bank,

National Association

Date Filed: 11-01-07

Assignment: # 2008060302961

Secured Party: Calyon New York Branch

Date Filed: 06-02-08

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

N/A

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

GREENRIDGE WASTE SERVICES, LLC

Pennsylvania Department Of State

UCC FINANCING STATEMENTS

Through 09-02-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 2007110600708

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank,
National Association
Date Filed: 11-05-07

Assignment: # 2008060302985
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

HARLAND'S SANITARY LANDFILL, INC.

Michigan Department Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-14-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2004195848-0 Secured Party: Wachovia Bank, National Association Date Filed: 10-06-04	N/A	N/A	N/A	N/A	N/A
UCC: # 2007173145-0 Secured Party: Wachovia Bank, National Association Date Filed: 11-05-07					
Assignment: # 2008085983-1 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

ILLIANA DISPOSAL PARTNERSHIP

Indiana Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-10-08

Unlapsed and Terminated

UCC: # 200400009365120

Secured Party: Wachovia Bank, N.A.

Date Filed: 10-06-04

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

ISLAND WASTE SERVICES LTD.

New York Department Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200405030461331 Secured Party: C.N. Wood Co., Inc. Date Filed: 05-03-04	N/A	N/A	N/A	N/A	N/A
Termination: # 200607250609303 Date Filed: 07-25-06					
UCC: # 200410061009761 Secured Party: Wachovia Bank Date Filed: 10-06-04					
UCC: # 200604065333078 Secured Party: General Electric Capital Corporation Date Filed: 04-06-06					

KELLER DROP BOX, INC.

Oregon Secretary Of State

**UCC FINANCING
STATEMENTS**
Through 09-04-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 6711829

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711829-1
Date Filed: 10-12-04

UCC: # 7790436
Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790436-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

KEY WASTE INDIANA PARTNERSHIP

Indiana Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-10-08
Unlapsed and Terminated

UCC: # 200400009365675

Secured Party: Wachovia Bank, N.A.

Date Filed: 10-06-04

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

N/A

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

LANDCOMP CORPORATION

Illinois Secretary of State

UCC FINANCING STATEMENTS

Through 09-02-08
Unlapsed and Terminated

UCC: # 3904825

Secured Party: Suburban
Bank & Trust Company
Date Filed: 09-08-98

Continuation: # 7350783
Date Filed: 07-29-03

Termination: # 01641094
Date Filed: 11-06-07

UCC: # 13295182
Secured Party: US Bancorp
Date Filed: 05-27-08

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

LATHROP SUNRISE SANITATION CORPORATION

California Secretary of State

UCC FINANCING
STATEMENTS

Through 09-10-08
Unlapsed and Terminated

UCC: # 04-7000572207

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

UCC: # 07-7135513204

Secured Party: Wachovia Bank, N.A.
Date Filed: 11-02-07

Assignment: # 08-71599181

Secured Party: Calyon New York Branch
Date Filed: 05-30-08

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

Through 09-10-08
Active

CLEAR

PENDING
SUITS

N/A

BANKRUPTCY

N/A

LEWISVILLE LANDFILL TX, LP

Delaware Secretary Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-05-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 42834846 Secured Party: Hoss Equipment Co Date Filed: 10-08-04	N/A	N/A	N/A	N/A	N/A
UCC: # 2007 3914727 Secured Party: Holt Cat Date Filed: 10-17-07					
UCC: # 2007 4147483 Secured Party: Wachovia Bank, National Association Date Filed: 10-31-07					
Assignment: # 2008 1857398 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

LIBERTY WASTE SERVICES LIMITED, L.L.C.

Delaware Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-05-08
Unlapsed and Terminated

UCC: # 21825615

Secured Party: Comerica Bank
Date Filed: 06-27-02

Continuation: # 2007 0156199
Date Filed: 01-08-07

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

N/A

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

LIBERTY WASTE SERVICES OF ILLINOIS, L.L.C.

Illinois Secretary of State

UCC FINANCING
STATEMENTS
Through 09-02-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 12647808

Secured Party: Wachovia Bank
Date Filed: 11-01-07

Assignment: # 8930572
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

MCINNIS WASTE SYSTEMS, INC.

Oregon Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-04-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 6711841

Secured Party: Wachovia Bank, N.A.
Date Filed: 10-05-04

Amendment: # 6711841-1
Date Filed: 10-14-04

UCC: # 7790442
Secured Party: Wachovia Bank, N.A.
Date Filed: 11-05-07

Assignment: # 7790442-1
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

OAKLAND HEIGHTS DEVELOPMENT, INC.

Michigan Department Of State

UCC FINANCING STATEMENTS

Through 09-14-08
Unlapsed and Terminated

FEDERAL TAX
LIENS

STATE TAX LIENS

JUDGMENTS / JUDGMENT
LIENS

PENDING
SUITS

BANKRUPTCY

UCC: # 2007173143-6

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank,
National Association
Date Filed: 11-05-07

Assignment: # 2008085980-5
Secured Party: Calyon New York Branch
Date Filed: 06-02-08

Assignment: # 2008085982-9
Date Filed: 06-02-08

PACKERTON LAND COMPANY, L.L.C.

Delaware Secretary Of State

UCC FINANCING
STATEMENTS
Through 09-05-08
Unlapsed and Terminated

FEDERAL TAX
LIENS
N/A

STATE TAX LIENS
N/A

JUDGMENTS / JUDGMENT
LIENS
N/A

PENDING
SUITS
N/A

BANKRUPTCY
N/A

UCC: # 42794610

Secured Party: Wachovia Bank
Date Filed: 10-05-04

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PLEASANT OAKS LANDFILL TX, LP

Delaware Secretary Of State

UCC FINANCING
STATEMENTS

Through 09-05-08

Unlapsed and Terminated

UCC: # 2007 4147764

Secured Party: Wachovia Bank

Date Filed: 10-31-07

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

Assignment: # 2008 1857083

Secured Party: Calyon New York Branch

Date Filed: 05-30-08

RABANCO RECYCLING, INC.

Washington Department Of Licensing

<u>UCC FINANCING STATEMENTS</u> Through 09-07-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200334940281 Secured Party: FleetPride, Inc. Date Filed: 12-12-03	N/A	N/A	N/A	N/A	N/A
UCC: # 200402859019 Secured Party: Clyde/West, Inc. Date Filed: 01-28-04					
Termination: # 200404918448 Date Filed: 02-17-04					
UCC: # 200417597500 Secured Party: Clyde/West, Inc. Date Filed: 06-23-04					
Termination: # 200420374549 Date Filed: 07-20-04					
UCC: # 200430139954 Secured Party: Clyde/West, Inc. Date Filed: 10-25-04					
Termination: # 200430969766 Date Filed: 11-04-04					
UCC: # 200430139961 Secured Party: Clyde/West, Inc. Date Filed: 10-25-04					
UCC: # 200506904677 Secured Party: Clyde/West, Inc. Date Filed: 03-10-05					
Termination: # 200513284991 Date Filed: 05-12-05					

RABANCO, INC.

Washington Department Of Licensing

UCC FINANCING STATEMENTS

Through 09-07-08
Unlapsed and Terminated

UCC: # 2001-065-0233

Secured Party: Williams Scotsman, Inc.

Date Filed: 03-06-01

Assignment: # 200333706628

Secured Party: Tatonka Capital Corporation

Date Filed: 12-02-03

Assignment: # 200334219301

Secured Party: LaSalle National Leasing

Corporation

Date Filed: 12-05-03

Continuation: # 200603412228

Date Filed: 02-03-06

FEDERAL TAX
LIENS

N/A

STATE TAX LIENS

N/A

JUDGMENTS / JUDGMENT
LIENS

N/A

PENDING
SUITS

N/A

BANKRUPTCY

N/A

RABANCO, LTD.

Washington Department Of Licensing

<u>UCC FINANCING STATEMENTS</u> Through 09-07-08 Unlapsed and Terminated	<u>FEDERAL TAX</u> <u>LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT</u> <u>LIENS</u>	<u>PENDING</u> <u>SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200334940281 Secured Party: FleetPride, Inc. Date Filed: 12-12-03	N/A	N/A	N/A	N/A	N/A
UCC: # 200428909408 Secured Party: Wachovia Bank, National Association Date Filed: 10-14-04					
UCC: # 200632164563 Secured Party: N C Machinery Date Filed: 11-17-06					
Termination: # 200714498746 Date Filed: 05-24-07					
UCC: # 200731089408 Secured Party: Wachovia Bank, National Association Date Filed: 11-05-07					
Assignment: # 200815588186 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

ROSSMAN SANITARY SERVICE, INC.

Oregon Secretary Of State

UCC FINANCING STATEMENTS Through 09-04-08 Unlapsed and Terminated	FEDERAL TAX LIENS	STATE TAX LIENS	JUDGMENTS / JUDGMENT LIENS	PENDING SUITS	BANKRUPTCY
UCC: # 6711857 Secured Party: Wachovia Bank, N.A. Date Filed: 10-05-04	N/A	N/A	N/A	N/A	N/A
Amendment: # 6711857-1 Date Filed: 10-12-04					
UCC: # 7062803 Secured Party: Les Schwab Warehouse Center, Inc. Date Filed: 10-06-05					
UCC: # 7790464 Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07					
Assignment: # 7790464-1 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

ROXANA LANDFILL, INC.

Illinois Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-02-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 12647751 Secured Party: Wachovia Bank Date Filed: 11-01-07	N/A	N/A	N/A	N/A	N/A
Assignment: # 8930576 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

SAND VALLEY HOLDINGS L.L.C. (f/k/a LIBERTY WASTE SERVICES, L.L.C.)

Delaware Secretary Of State

UCC FINANCING STATEMENTS Through 09-05-08 Unlapsed and Terminated	FEDERAL TAX LIENS	STATE TAX LIENS	JUDGMENTS / JUDGMENT LIENS	PENDING SUITS	BANKRUPTCY
UCC: # 11446587 Secured Party: Comerica Bank Date Filed: 11-13-01	N/A	N/A	N/A	N/A	N/A
Continuation: # 61890292 Date Filed: 06-01-06					
Amendment: # 2008 0435758 Date Filed: 02-05-08					
UCC: # 40710121 Secured Party: SunBank Date Filed: 03-09-04					
Amendment: # 2008 1359619 Date Filed: 04-18-08					
UCC: # 40710147 Secured Party: SunBank Date Filed: 03-09-04					
Amendment: # 2008 1359544 Date Filed: 04-18-08					
UCC: # 41471582 Secured Party: Comerica Bank Date Filed: 05-26-04					
Amendment: # 2007 4801121 Date Filed: 12-19-07					
Amendment: # 2008 0435691 Date Filed: 02-05-08					
UCC: # 41471640 Secured Party: Comerica Bank Date Filed: 05-26-04					
Amendment: # 2008 0435089 Date Filed: 02-05-08					
UCC: # 2007 3811634 Secured Party: Comerica Bank Date Filed: 10-10-07					
Amendment: # 2008 0435782 Date Filed: 02-05-08					

SAUK TRAIL DEVELOPMENT, INC.

Michigan Department Of State

<u>UCC FINANCING STATEMENTS</u> Through 09-14-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 2007173142-4 Secured Party: Wachovia Bank, National Association Date Filed: 11-05-07	N/A	N/A	N/A	N/A	N/A

STANDARD DISPOSAL SERVICES, INC.

Michigan Department Of State

UCC FINANCING STATEMENTS Through 09-14-08 Unlapsed and Terminated	FEDERAL TAX LIENS	STATE TAX LIENS	JUDGMENTS / JUDGMENT LIENS	PENDING SUITS	BANKRUPTCY
UCC: # D382030 Secured Party: Financial Federal Credit Inc. Date Filed: 06-03-98	N/A	N/A	N/A	N/A	N/A
Continuation: # 2002044418-3 Date Filed: 12-26-02					
Continuation: # 2008025940-9 Date Filed: 02-15-08					
UCC: # 98841B Secured Party: General Electric Capital Corporation Date Filed: 09-10-98					
Amendment: # 2003089259-0 Date Filed: 05-09-03					
Continuation: # 2003089260-3 Date Filed: 05-09-03					

SUBURBAN CARTING CORPORATION

New York Department Of State

**UCC FINANCING
STATEMENTS**

Through 09-10-08
Unlapsed and Terminated

**FEDERAL TAX
LIENS**

STATE TAX LIENS

**JUDGMENTS / JUDGMENT
LIENS**

**PENDING
SUITS**

BANKRUPTCY

UCC: # 200410061009759

N/A

N/A

N/A

N/A

N/A

Secured Party: Wachovia Bank

Date Filed: 10-06-04

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SUNRISE SANITATION SERVICE, INC.

California Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u> Through 09-10-08 Active	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 04-7000573076 Secured Party: Wachovia Bank, N.A. Date Filed: 10-05-04	N/A	N/A	CLEAR	N/A	N/A
UCC: # 07-7135513325 Secured Party: Wachovia Bank, N.A. Date Filed: 11-02-07					
Assignment: # 08-71599179 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

SUNSET DISPOSAL SERVICE, INC.

California Secretary of State

<u>UCC FINANCING STATEMENTS</u> Through 09-10-08 Unlapsed and Terminated	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u> Through 09-10-08 Active	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 04-7000573571 Secured Party: Wachovia Bank, N.A. Date Filed: 10-05-04	N/A	N/A	CLEAR	N/A	N/A
UCC: # 07-7135513688 Secured Party: Wachovia Bank, N.A. Date Filed: 11-02-07					
Assignment: # 08-71599175 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

SUNSET DISPOSAL, INC.

Kansas Secretary Of State

<u>UCC FINANCING STATEMENTS</u> <u>Through 09-10-08</u> <u>Unlapsed and Terminated</u>	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 5886791 Secured Party: Wachovia Bank, N.A. Date Filed: 10-06-04	N/A	N/A	N/A	N/A	N/A
UCC: # 6423867 Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07					
Correction: # 6425938 Date Filed: 11-09-07					
Assignment: # 6495360 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

SYCAMORE LANDFILL, INC.

California Secretary of State

UCC FINANCING STATEMENTS Through 09-10-08 Unlapsed and Terminated	FEDERAL TAX LIENS	STATE TAX LIENS	JUDGMENTS / JUDGMENT LIENS Through 09-10-08 Active	PENDING SUITS	BANKRUPTCY
UCC: # 07-7135122654 Secured Party: Wachovia Bank, N.A. Date Filed: 10-31-07	N/A	N/A	CLEAR	N/A	N/A
Assignment: # 08-71599173 Secured Party: Calyon New York Branch Date Filed: 05-30-08					

THOMAS DISPOSAL SERVICE, INC.

Missouri Secretary Of State

<u>UCC FINANCING STATEMENTS</u> <u>Through 09-09-08</u> <u>Unlapsed and Terminated</u>	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 20040106219G Secured Party: Wachovia Bank, N.A. Date Filed: 10-06-04	N/A	N/A	N/A	N/A	N/A
UCC: # 20070123470H Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07					
Assignment: # 20080062550K Secured Party: Calyon New York Branch Date Filed: 06-02-08					

TOTAL ROLL-OFFS, L.L.C.

Texas Secretary Of State

**UCC FINANCING
STATEMENTS**

Through 09-10-08
Unlapsed and Terminated

UCC: # 00-00419884

Secured Party: Caterpillar Financial Services Corp.
Date Filed: 01-28-00

**FEDERAL TAX
LIENS**

N/A

STATE TAX LIENS

N/A

**JUDGMENTS / JUDGMENT
LIENS**

N/A

**PENDING
SUITS**

N/A

BANKRUPTCY

N/A

Continuation: # 05-00019821
Date Filed: 01-18-05

UCC: # 07-0037626394
Secured Party: Wachovia Bank
Date Filed: 11-05-07

Assignment: # 08-00184767
Secured Party: Calyon New York Branch
Date Filed: 05-30-08

UNITED DISPOSAL SERVICE, INC.

Oregon Secretary Of State

UCC FINANCING STATEMENTS Through 09-04-08 Unlapsed and Terminated	FEDERAL TAX LIENS	STATE TAX LIENS	JUDGMENTS / JUDGMENT LIENS	PENDING SUITS	BANKRUPTCY
UCC: # 6711863 Secured Party: Wachovia Bank, N.A. Date Filed: 10-05-04	N/A	N/A	N/A	N/A	N/A
Amendment: # 6711863-1 Date Filed: 10-12-04					
UCC: # 7790458 Secured Party: Wachovia Bank, N.A. Date Filed: 11-05-07					
Assignment: # 7790458-1 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

WASTE SERVICES OF NEW YORK, INC.

New York Department Of State

<u>UCC FINANCING STATEMENTS Through 09-10-08 Unlapsed and Terminated</u>	<u>FEDERAL TAX LIENS</u>	<u>STATE TAX LIENS</u>	<u>JUDGMENTS / JUDGMENT LIENS</u>	<u>PENDING SUITS</u>	<u>BANKRUPTCY</u>
UCC: # 200711010850898 Secured Party: Wachovia Bank Date Filed: 11-01-07	N/A	N/A	N/A	N/A	N/A
Assignment: # 200806020389361 Secured Party: Calyon New York Branch Date Filed: 06-02-08					

PERMITTED RMI INVESTMENTS

Investments by the Borrower and its Subsidiaries in the RMI Subsidiaries consisting of: (i) investments in the RMI Subsidiaries existing on the Initial Funding Date hereof (including promissory notes of Allied and/or its Subsidiaries held by the RMI Subsidiaries), (ii) loans and advances of funds by the Borrower and its Subsidiaries to the RMI Subsidiaries at such times and in such amounts as are necessary to provide for the payment by the RMI Subsidiaries of Assumed RMI Liabilities (defined below) and non-material general and administrative expenses, in each case, when and as they become due and payable; and (iii) the purchase by the Borrower and its Subsidiaries of existing minority equity interests in the RMI Subsidiaries pursuant to put and call arrangements existing on the Initial Funding Date (which put and call arrangements may be extended as may be determined by the Allied or its Subsidiaries in connection with settlement negotiations in respect thereof). For purposes of this Schedule 7.05(b), "Assumed RMI Liabilities" means the insurance, capping closure, post-closure, environmental and related liabilities, including clean-up and remediation liabilities, that were assumed by the RMI Subsidiaries from Allied or any of Allied's Subsidiaries prior to the Initial Funding Date.

EXISTING SECURED INDEBTEDNESS

Indebtedness secured by any of the Saguaro Liens (as defined in Schedule 7.02) in an aggregate principal amount not to exceed \$230,000,000 at any time outstanding; and Capital Leases and purchase money financings secured by liens described on Schedule 7.02.

EXISTING BURDENSOME AGREEMENTS

None.

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**ADMINISTRATIVE AGENT'S OFFICE;
CERTAIN ADDRESSES FOR NOTICES**

BORROWER:

Republic Services, Inc.
110 Southeast 6th Street
Suite 2800
Fort Lauderdale, Florida 33301
Attention: Edward A. Lang, III
Vice President Finance and Treasurer
Telephone: 954.769.3591
Telecopier: 954.769.6441
Electronic Mail: lange@repsrv.com
Website Address: www.republicservices.com

with a copy to:

Akerman, Senterfitt & Eidson, P.A.
One S.E. Third Avenue
Suite 2500
Miami, Florida 33131
Attention: William Arnhols, Esq.
Telecopier: 305.374.5095

ADMINISTRATIVE AGENT:

Administrative Agent's Office

(for payments and Requests for Credit Extensions):

Bank of America, N.A.

901 Main Street, 14th Floor

Mail Code: TX1-491-14-14

Dallas, Texas 75202

Attention: Runzia Bob

Telephone: 214.209.9732

Telecopier: 214.290.9646

Electronic Mail: runzia.v.bob@bankofamerica.com

Wire Instructions:

Account No.: 1292000883

Attn: Credit Services

Ref: Republic Services, Inc.

ABA# 026009593

Other Notices as Administrative Agent:

Bank of America, N.A.

Agency Management

901 Main Street

Mail Code: TX1-492-14-11

Dallas, Texas 75202

Attention: Ronaldo Naval

Telephone: 214.209.1162

Telecopier: 877.511.6124

Electronic Mail: ronaldo.naval@bankofamerica.com

All Notices to Portfolio/Credit Contact:

Bank of America, N.A.

100 Federal Street

Mail Code: MA5-100-09-07

Boston, Massachusetts 02110

Attention: Maria F. Maia

Managing Director

Telephone: 617.434.5751

Telecopier: 980.233.7700

Electronic Mail: maria.f.maia@bankofamerica.com

L/C ISSUER:

Bank of America, N.A.
Trade Services
1 Fleet Way
Mail Code: PA6-580-02-30
Scranton, Pennsylvania 18507
Attention: Michael A. Grizzanti
Operations Manager
Telephone: 570.330.4214
Telecopier: 800.755.8743
Electronic Mail: michael.a.grizzanti@bankofamerica.com

SWING LINE LENDER:

Bank of America, N.A.
901 Main Street, 14th Floor
TX1-491-14-14
Dallas, Texas 75202
Attention: Runzia Bob
Telephone: 214.209.9732
Telecopier: 214.290.9646
Electronic Mail: runzia.v.bob@bankofamerica.com
Account No.: 1292000883
Ref: Republic Services, Inc.
ABA# 026009593

FORM OF COMMITTED LOAN NOTICE

Date: _____, _____

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of September 18, 2008 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among Republic Services, Inc., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender.

The undersigned hereby requests (select one):

A Borrowing of Committed Loans A conversion or continuation of Loans

1. On _____ (a Business Day).
2. In the amount of \$ _____.
3. Comprised of _____.

[Type of Committed Loan requested]

4. For Eurodollar Rate Loans: with an Interest Period of [one week][__months].

The Committed Borrowing, if any, requested herein complies with the provisos to the first sentence of Section 2.01 of the Agreement.

REPUBLIC SERVICES, INC.

By: _____
 Name: _____
 Title: _____

Form of Committed Loan Notice

FORM OF SWING LINE LOAN NOTICE

Date: _____, _____

To: Bank of America, N.A., as Swing Line Lender

Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of September 18, 2008 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among Republic Services, Inc., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender.

The undersigned hereby requests a Swing Line Loan:

1. On _____ (a Business Day).
2. In the amount of \$_____.

The Swing Line Borrowing requested herein complies with the requirements of the provisos to the first sentence of Section 2.04(a) of the Agreement.

REPUBLIC SERVICES, INC.

By: _____
Name: _____
Title: _____

Form of Swing Line Loan Notice

FORM OF NOTE

FOR VALUE RECEIVED, the undersigned (the "Borrower") hereby promises to pay to _____ or registered assigns (the "Lender"), in accordance with the provisions of the Agreement (as hereinafter defined), the principal amount of each Loan from time to time made by the Lender to the Borrower under that certain Credit Agreement, dated as of September 18, 2008 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement;" the terms defined therein being used herein as therein defined), among the Borrower, the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender.

The Borrower promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. Except as otherwise provided in Section 2.04(f) of the Agreement with respect to Swing Line Loans, all payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in Dollars in immediately available funds at the Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the Notes referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Note is entitled to the benefits of the Guaranty. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

REPUBLIC SERVICES, INC.

By: _____
Name: _____
Title: _____

Form of Note

LOANS AND PAYMENTS WITH RESPECT THERETO

<u>Date</u>	<u>Type of Loan Made</u>	<u>Amount of Loan Made</u>	<u>End of Interest Period</u>	<u>Amount of Principal or Interest Paid This Date</u>	<u>Outstanding Principal Balance This Date</u>	<u>Notation Made By</u>
-------------	----------------------------------	------------------------------------	---------------------------------------	---	--	-----------------------------

Form of Note

C-2

ACKNOWLEDGEMENT OF EXECUTION ON BEHALF OF
REPUBLIC SERVICES, INC.

STATE OF _____

COUNTY OF _____

Before me, the undersigned, a Notary Public in and for said County and State on this _____ day of _____, 20____, personally appeared _____, known to be the _____ of Republic Services, Inc. (the "Borrower"), who, being by me duly sworn, says he works at 110 S.E. Sixth Street, Fort Lauderdale, Florida 33301, and that by authority duly given by, and as the act of, the Borrower, the foregoing Promissory Note dated as of _____, 20__ to the Lender was signed by him as said _____ on behalf of the Borrower.

Witness my hand and official seal this _____ day of _____, 20__.

Notary Public

(SEAL)

My commission Expires: _____

Form of Note

C-3

AFFIDAVIT OF _____

The undersigned, being first duly sworn, deposes and says that:

1. He is a _____ of Bank of America, N.A. and works at _____.

2. The Promissory Note of Republic Services, Inc. to which this Affidavit is attached was executed before him and delivered to him on behalf of the Lender in _____, _____ on _____, 200_.

This the _____ day of _____, 200_.

Acknowledgement of Execution

STATE OF _____

COUNTY OF _____

Before me, the undersigned, a Notary Public in and for said County and State on this _____ day of _____, 20__A.D., personally appeared _____ who before me affixed his signature to the above Affidavit.

Witness my hand and official seal this _____ day of _____, 20_.

Notary Public

(SEAL)

My Commission Expires: _____

Form of Note



FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: _____, _____

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of September 18, 2008 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement," the terms defined therein being used herein as therein defined), among Republic Services, Inc., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender.

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the _____ of the Borrower, and that, as such, he/she is authorized to execute and deliver this Certificate to the Administrative Agent on the behalf of the Borrower, and that:

[Use following paragraph 1 for fiscal year-end financial statements]

1. The Borrower has delivered the year-end audited financial statements required by Section 6.01(a) of the Agreement for the fiscal year of the Borrower ended as of the above date, together with the report of an independent certified public accountant required by such section.

[Use following paragraph 1 for fiscal quarter-end financial statements]

1. The Borrower has delivered the unaudited financial statements required by Section 6.01(b) of the Agreement for the fiscal quarter of the Borrower ended as of the above date. Such financial statements fairly present, in accordance with GAAP (subject to the absence of footnotes and to ordinary, good faith year-end audit adjustments), the financial position and the results of operations of the Borrower and its Subsidiaries as of such date and for such period.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and condition (financial or otherwise) of the Borrower during the accounting period covered by such financial statements.

3. A review of the activities of the Borrower during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the Borrower performed and observed all its Obligations under the Loan Documents, and

Form of Compliance Certificate

[select one:]

[to the best knowledge of the undersigned, during such fiscal period, the Borrower performed and observed each covenant and condition of the Loan Documents applicable to it, and no Default has occurred and is continuing.]

—or—

[to the best knowledge of the undersigned, during such fiscal period the following covenants or conditions have not been performed or observed and the following is a list of each such Default and its nature and status:]

4. The representations and warranties of the Borrower contained in Article V of the Agreement, and any representations and warranties of any Loan Party that are contained in any Loan Document or any other document furnished at any time under or in connection with the Loan Documents, are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Compliance Certificate, the representations and warranties contained in subsection (a) of Section 5.11 of the Agreement shall be deemed to refer to the most recent statements furnished pursuant to clause (a) of Section 6.01 of the Agreement, including the statements in connection with which this Compliance Certificate is delivered.

5. The financial covenant analyses and information set forth on Schedule 1 attached hereto are true and accurate on and as of the date of this Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, ____.

REPUBLIC SERVICES, INC.

By: _____
Name: _____
Title: _____

Form of Compliance Certificate

SCHEDULE 1
to the Compliance Certificate
(\$ in 000’s)

I. Subsection 7.01(a): Consolidated Interest Coverage Ratio

A. Consolidated EBITDA for Computation Period:

- (1) Consolidated Net Income for Computation Period: \$ _____
- (2) Consolidated Interest Expense for Computation Period: \$ _____
- (3) taxes on income for Computation Period: \$ _____
- (4) amortization and depreciation for Computation Period: \$ _____
- (5) **[environmental remediation charges during Computation Period associated with environmental conditions at the CountryWide Recycling and Disposal Facility as more particularly described in the Borrower’s Form 10-Q filed with the SEC on August 8, 2008 (not to exceed \$69,000,000 in the aggregate during all Computation Periods):** \$ _____]
- [(6) reasonably documented costs and expenses incurred during Computation Period in connection with the Allied Acquisition (not to exceed \$50,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition):** \$ _____]
- [(7) reasonably documented transition costs during Computation Period in connection with the Allied Acquisition (not to exceed \$146,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition or \$36,000,000 in the twelve (12) month period after such first anniversary):** \$ _____]¹
- [(8) Lines I.A.(1)+(2)+(3)+(4)+(5)[+(6)+(7)]:** \$ _____

B. Consolidated Interest Expense for Computation Period: \$ _____

C. Line I.A.**[(8)]** divided by Line I.B.: _____ to 1.00

(Line I.C. must not be less than 3.00 to 1.00)

¹ Bracketed text to be deleted if not applicable during Computation Period and bracketed cross-references appropriately updated.

II. Subsection 7.01(b): Total Debt to EBITDA Ratio

A. Total Debt as of last day of Computation Period:	\$ _____
B. Restricted Cash as of last day of Computation Period:	\$ _____
C. Line II.A. minus Line II.B.:	\$ _____
D. Consolidated EBITDA for Computation Period ² :	
(1) Consolidated Net Income for Computation Period:	\$ _____
(2) Consolidated Interest Expense for Computation Period:	\$ _____
(3) taxes on income for Computation Period:	\$ _____
(4) amortization and depreciation for Computation Period:	\$ _____
(5) [environmental remediation charges during Computation Period associated with environmental conditions at the CountryWide Recycling and Disposal Facility as more particularly described in the Borrower’s Form 10-Q filed with the SEC on August 8, 2008 (not to exceed \$69,000,000 in the aggregate during all Computation Periods):	\$ _____]
[(6) reasonably documented costs and expenses incurred during Computation Period in connection with the Allied Acquisition (not to exceed \$50,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition):	\$ _____]
[(7) reasonably documented transition costs during Computation Period in connection with the Allied Acquisition (not to exceed \$146,000,000 in the aggregate through the first anniversary of the consummation of the Allied Acquisition or \$36,000,000 in the twelve (12) month period after such first anniversary):	\$ _____] ³
[(8) Lines II.D.(1)+(2)+(3)+(4)+(5)[+(6)+(7)]:	\$ _____
E. Line II.C. divided by Line II.D. [(8)] :	_____ to 1.00

(Line II.E must not be greater than (i) 4.00 to 1.00 for any Computation Period on or before March 31, 2010, or (ii) 3.25 to 1.00 for any Computation Period thereafter)

² To the extent that any Acquisition has been consummated during a Computation Period, Consolidated EBITDA shall be computed on a pro forma basis in accordance with Article 11 of Regulation S-X of the SEC or in a manner otherwise approved by the Administrative Agent only for the purpose of determining the Total Debt to EBITDA Ratio.

³ Bracketed text to be deleted if not applicable during Computation Period and bracketed cross-references appropriately updated.

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between **[the][each]** Assignor identified in item 1 below (**[the][each, an]** “Assignor”) and **[the][each]** Assignee identified in item 2 below (**[the][each, an]** “Assignee”). **[It is understood and agreed that the rights and obligations of [the Assignors][the Assignees] hereunder are several and not joint.]** Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, **[the][each]** Assignor hereby irrevocably sells and assigns to **[the Assignee][the respective Assignees]**, and **[the][each]** Assignee hereby irrevocably purchases and assumes from **[the Assignor][the respective Assignors]**, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of **[the Assignor’s][the respective Assignors’]** rights and obligations in **[its capacity as a Lender][their respective capacities as Lenders]** under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of **[the Assignor][the respective Assignors]** under the respective facilities identified below (including, without limitation, the Letters of Credit and the Swing Line Loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of **[the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)]** against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned by **[the][any]** Assignor to **[the][any]** Assignee pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as **[the][an]** “Assigned Interest”). Each such sale and assignment is without recourse to **[the][any]** Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by **[the][any]** Assignor.

1. Assignor[s]: _____
2. Assignee[s]: _____ [for each Assignee, indicate [Affiliate][Approved Fund] of [identify Lender]]
3. Borrower: Republic Services, Inc.

Form of Assignment and Assumption

4. Administrative Agent: Bank of America, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: Credit Agreement, dated as of September 18, 2008, as amended, restated, extended, supplemented or otherwise modified in writing from time to time, among Republic Services, Inc., the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, L/C Issuer, and Swing Line Lender
6. Assigned Interest:

Assignor[s]	Assignee[s]	Facility Assigned	Aggregate Amount of Commitment/ Loans for all Lenders	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/ Loans	CUSIP Number
			\$ _____	\$ _____	_____ %	
			\$ _____	\$ _____	_____ %	
			\$ _____	\$ _____	_____ %	

[7. Trade Date: _____]

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

Form of Assignment and Assumption

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

[Consented to and] Accepted:

BANK OF AMERICA, N.A., as
Administrative Agent

By: _____
Title:

[Consented to:]

REPUBLIC SERVICES, INC.

By: _____
Title:

Form of Assignment and Assumption

E-1-3

**Credit Agreement dated as of September 18, 2008, as amended, restated, extended,
supplemented or otherwise modified in writing from time to time, by and among
Republic Services, Inc., Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the
Lenders party thereto from time to time**

**STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1. Assignor. **[The][Each]** Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of **[the][the relevant]** Assigned Interest, (ii) **[the][such]** Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. **[The][Each]** Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.06(b)(iii), (v) and (vi) of the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of **[the][the relevant]** Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type presented by **[the][such]** Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire **[the][such]** Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement and has received or has been accorded the opportunity to receive copies of the most recent financial statements referred to in Section 5.11 thereof or delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase **[the][such]** Assigned Interest, (vi) it has independently and without reliance upon the Administrative Agent, **[the][any]** Assignor or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase **[the][such]** Assigned Interest, and (vii) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by **[the][such]** Assignee; and (b) agrees that (i) it will, independently

Form of Assignment and Assumption

and without reliance upon the Administrative Agent, **[the][any]** Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of **[the][each]** Assigned Interest (including payments of principal, interest, fees and other amounts) to **[the][the relevant]** Assignor for amounts which have accrued to but excluding the Effective Date and to **[the][relevant]** Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Form of Assignment and Assumption

E-1-5

FORM OF ADMINISTRATIVE QUESTIONNAIRE

See attached.

E-2-1

Form of Administrative Questionnaire

ADMINISTRATIVE DETAILS REPLY FORM — US DOLLAR ONLY

CONFIDENTIAL

FAX ALONG WITH COMMITMENT LETTER TO:

FAX #

I. Borrower Name: Republic Services, Inc.

\$

Type of Credit Facility

II. Legal Name of Lender of Record for Signature Page:

- Signing Credit Agreement YES NO
• Coming in via Assignment YES NO

III. Type of Lender:

(Bank, Asset Manager, Broker/Dealer, CLO/CDO, Finance Company, Hedge Fund, Insurance, Mutual Fund, Pension Fund, Other Regulated Investment Fund, Special Purpose Vehicle, Other — please specify)

IV. Domestic Address:

V. Eurodollar Address:

VI. Contact Information:

Syndicate level information (which may contain material non-public information about the Borrower and its related parties or their respective securities) will be made available to the Credit Contact(s). The Credit Contacts identified must be able to receive such information in accordance with his/her institution's compliance procedures and applicable laws, including Federal and State securities laws.

Table with 3 columns: Credit Contact, Primary Operations Contact, Secondary Operations Contact. Rows include Name, Title, Address, Telephone, Facsimile, E Mail Address.

Does Secondary Operations Contact need copy of notices? YES NO



ADMINISTRATIVE DETAILS REPLY FORM — US DOLLAR ONLY

CONFIDENTIAL

	Letter of Credit Contact	Draft Documentation Contact	Legal Counsel
Name:	_____	_____	_____
Title:	_____	_____	_____
Address:	_____	_____	_____
Telephone:	_____	_____	_____
Facsimile:	_____	_____	_____
E Mail Address:	_____	_____	_____

VII. Lender's Standby Letter of Credit, Commercial Letter of Credit, and Bankers' Acceptance Fed Wire Payment Instructions (if applicable):

Pay to:

(Bank Name)

(ABA #)

(Account #)

(Attention)

VIII. Lender's Fed Wire Payment Instructions:

Pay to:

(Bank Name)

(ABA#) (City/State)

(Account #) (Account Name)

(Attention)



IX. Organizational Structure and Tax Status

Please refer to the enclosed withholding tax instructions below and then complete this section accordingly:

Lender Taxpayer Identification Number (TIN): _____ - _____

Tax Withholding Form Delivered to Bank of America*:

_____ **W-9**

_____ **W-8BEN**

_____ **W-8ECI**

_____ **W-8EXP**

_____ **W-8IMY**

NON—U.S. LENDER INSTITUTIONS

1. Corporations:

If your institution is incorporated outside of the United States for U.S. federal income tax purposes, and is the beneficial owner of the interest and other income it receives, you must complete one of the following three tax forms, as applicable to your institution: a.) Form W-8BEN (Certificate of Foreign Status of Beneficial Owner), b.) Form W-8ECI (Income Effectively Connected to a U.S. Trade or Business), or c.) Form W-8EXP (Certificate of Foreign Government or Governmental Agency).

A U.S. taxpayer identification number is required for any institution submitting a Form W-8 ECI. It is also required on Form W-8BEN for certain institutions claiming the benefits of a tax treaty with the U.S. Please refer to the instructions when completing the form applicable to your institution. In addition, please be advised that U.S. tax regulations do not permit the acceptance of faxed forms. **An original tax form must be submitted.**

2. Flow-Through Entities

If your institution is organized outside the U.S., and is classified for U.S. federal income tax purposes as either a Partnership, Trust, Qualified or Non-Qualified Intermediary, or other non-U.S. flow-through entity, an original Form

W-8IMY (Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. branches for United States Tax Withholding) must be completed by the intermediary together with a withholding statement. Flow-through entities other than Qualified Intermediaries are required to include tax forms for each of the underlying beneficial owners.

Please refer to the instructions when completing this form. In addition, please be advised that U.S. tax regulations do not permit the acceptance of faxed forms. **Original tax form(s) must be submitted.**



ADMINISTRATIVE DETAILS REPLY FORM — US DOLLAR ONLY

CONFIDENTIAL

U.S. LENDER INSTITUTIONS:

If your institution is incorporated or organized within the United States, you must complete and return Form W-9 (Request for Taxpayer Identification Number and Certification). **Please be advised that we require an original form W-9.**

Pursuant to the language contained in the tax section of the Credit Agreement, the applicable tax form for your institution must be completed and returned on or prior to the date on which your institution becomes a lender under this Credit Agreement. Failure to provide the proper tax form when requested will subject your institution to U.S. tax withholding.

*Additional guidance and instructions as to where to submit this documentation can be found at this link:



Tax Form Tool Kit
(2006)(2).doc

X. Bank of America Payment Instructions:

Pay to: Bank of America, N.A.
ABA # 026009593
New York, NY
Acct. # _____
Attn: Corporate Credit Services
Ref: Republic Services Inc.

3/1/07 Revision



FORM OF GUARANTY

THIS GUARANTY AGREEMENT dated as of _____, 200__ (this "Guaranty Agreement"), is being entered into among EACH OF THE UNDERSIGNED AND EACH OTHER PERSON WHO SHALL BECOME A PARTY HERETO BY EXECUTION OF A GUARANTY JOINDER AGREEMENT (each a "Guarantor" and collectively the "Guarantors") and BANK OF AMERICA, N.A., as Administrative Agent (in such capacity, the "Administrative Agent") for each of the Guaranteed Parties (as defined in the Credit Agreement referenced below). All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement.

RECITALS:

A. Pursuant to that certain Credit Agreement dated as of September 18, 2008 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Republic Services, Inc., a Delaware corporation (the "Borrower"), the Administrative Agent, and the lenders now or hereafter party thereto (the "Lenders"), the Lenders have agreed to provide to the Borrower a revolving credit facility including letter of credit and swing line facilities.

B. Certain additional extensions of credit may be made from time to time for the benefit of the Guarantors pursuant to certain Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements.

C. The execution and delivery of this Guaranty Agreement is a condition precedent to the Guaranteed Parties' obligations to make and maintain such extensions of credit.

D. Each Guarantor is, directly or indirectly, a Domestic Subsidiary and will materially benefit from such extensions of credit.

In order to induce the Guaranteed Parties to from time to time make and maintain extensions of credit under the Credit Agreement and under the Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements, the parties hereto agree as follows:

1. Guaranty. Each Guarantor hereby jointly and severally, unconditionally, absolutely, continually and irrevocably guarantees to the Administrative Agent for the benefit of the Guaranteed Parties the payment and performance in full of the Guaranteed Liabilities (as defined below). For all purposes of this Guaranty Agreement, "Guaranteed Liabilities" means: (a) the Borrower's prompt payment in full, when due or declared due and at all such times, of all Obligations and all other amounts pursuant to the terms of the Credit Agreement, the Notes, and all other Loan Documents heretofore, now or at any time or times hereafter owing, arising, due or payable from the Borrower to any one or more of the Guaranteed Parties, including principal, interest, premiums and fees (including all fees and expenses of counsel (collectively, "Attorneys' Costs"); (b) the Borrower's prompt, full and faithful performance, observance and discharge of each and every agreement, undertaking, covenant and provision to be performed, observed or

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discharged by the Borrower under the Credit Agreement, the Notes and all other Loan Documents; and (c) the prompt payment in full by each Loan Party, when due or declared due and at all such times, of obligations and liabilities now or hereafter arising under the Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements. The Guarantors' obligations to the Guaranteed Parties under this Guaranty Agreement are hereinafter collectively referred to as the "Guarantors' Obligations" and, with respect to each Guarantor individually, the "Guarantor's Obligations". Notwithstanding the foregoing, the liability of each Guarantor individually with respect to its Guarantor's Obligations shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provisions of any applicable state law.

Each Guarantor agrees that it is jointly and severally, directly and primarily liable (subject to the limitation in the immediately preceding sentence) for the Guaranteed Liabilities.

For purposes of this Guaranty Agreement, "Facility Termination Date" means the date as of which all of the following shall have occurred: (a) the Aggregate Commitments have terminated, (b) all Obligations have been paid in full (other than (x) contingent indemnification obligations and (y) obligations and liabilities under Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank have been made), and (c) all Letters of Credit have terminated or expired or been cancelled (other than Letters of Credit as to which other arrangements with respect thereto satisfactory to the Administrative Agent and the L/C Issuer shall have been made).

2. Payment. If the Borrower shall default in payment or performance of any of the Guaranteed Liabilities, whether principal, interest, premium, fees (including, but not limited to, Attorneys' Costs), or otherwise, when and as the same shall become due, and after expiration of any applicable grace period, whether according to the terms of the Credit Agreement, by acceleration, or otherwise, or upon the occurrence and during the continuance of any Event of Default, then any or all of the Guarantors will, upon written demand thereof by the Administrative Agent, fully pay to the Administrative Agent, for the benefit of the Guaranteed Parties, subject to any restriction on each Guarantor's Obligations set forth in Section 1 hereof, an amount equal to all the Guaranteed Liabilities then due and owing.

3. Absolute Rights and Obligations. This is a guaranty of payment and not of collection. The Guarantors' Obligations under this Guaranty Agreement shall be joint and several, absolute and unconditional irrespective of, and each Guarantor hereby expressly waives, to the extent permitted by law, any defense to its obligations under this Guaranty Agreement to which it is a party by reason of:

(a) any lack of legality, validity or enforceability of the Credit Agreement, of any of the Notes, of any other Loan Document, of any Guaranteed Cash Management Agreement or Guaranteed Hedge Agreement or of any other agreement or instrument creating, providing security for, or otherwise relating to any of the Guarantors' Obligations, any of the Guaranteed Liabilities, or any other guaranty of any of the

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Guaranteed Liabilities (the Loan Documents, the Guaranteed Cash Management Agreements, the Guaranteed Hedge Agreements and all such other agreements and instruments being collectively referred to as the “Related Agreements”);

(b) any action taken under any of the Related Agreements, any exercise of any right or power therein conferred, any failure or omission to enforce any right conferred thereby, or any waiver of any covenant or condition therein provided;

(c) any acceleration of the maturity of any of the Guaranteed Liabilities, of the Guarantor’s Obligations of any other Guarantor, or of any other obligations or liabilities of any Person under any of the Related Agreements;

(d) any release, exchange, non-perfection, lapse in perfection, disposal, deterioration in value, or impairment of any security for any of the Guaranteed Liabilities, for any of the Guarantor’s Obligations of any Guarantor, or for any other obligations or liabilities of any Person under any of the Related Agreements;

(e) any dissolution of the Borrower or any Guarantor or any other party to a Related Agreement, or the combination or consolidation of the Borrower or any Guarantor or any other party to a Related Agreement into or with another entity or any transfer or disposition of any assets of the Borrower or any Guarantor or any other party to a Related Agreement;

(f) any extension (including without limitation extensions of time for payment), renewal, amendment, restructuring or restatement of, any acceptance of late or partial payments under, or any change in the amount of any borrowings, other credit extensions or any credit facilities available under, the Credit Agreement, any of the Notes or any other Loan Document or any other Related Agreement, in whole or in part;

(g) the existence, addition, modification, termination, reduction or impairment of value, or release of any other guaranty (or security therefor) of the Guaranteed Liabilities (including without limitation the Guarantor’s Obligations of any other Guarantor and obligations arising under any other Guaranty now or hereafter in effect);

(h) any waiver of, forbearance or indulgence under, or other consent to any change in or departure from any term or provision contained in the Credit Agreement, any other Loan Document or any other Related Agreement, including without limitation any term pertaining to the payment or performance of any of the Guaranteed Liabilities, any of the Guarantor’s Obligations of any other Guarantor, or any of the obligations or liabilities of any party to any other Related Agreement; or

(i) any other circumstance whatsoever (with or without notice to or knowledge of any Guarantor) which may or might in any manner or to any extent vary the risks of such Guarantor, or might otherwise constitute a legal or equitable defense available to, or discharge of, a surety or a guarantor, including without limitation any

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right to require or claim that resort be had to the Borrower or any other Loan Party or to any collateral in respect of the Guaranteed Liabilities or Guarantors' Obligations.

It is the express purpose and intent of the parties hereto that this Guaranty Agreement and the Guarantors' Obligations hereunder and under each Guaranty Joinder Agreement shall be absolute and unconditional under any and all circumstances and shall not be discharged except by payment as herein provided.

4. Currency and Funds of Payment. All Guarantors' Obligations will be paid in lawful currency of the United States of America and in immediately available funds, regardless of any law, regulation or decree now or hereafter in effect that might in any manner affect the Guaranteed Liabilities, or the rights of any Guaranteed Party with respect thereto as against the Borrower, or cause or permit to be invoked any alteration in the time, amount or manner of payment by the Borrower of any or all of the Guaranteed Liabilities.

5. Events of Default. Without limiting the provisions of Section 2 hereof, in the event that there shall occur and be continuing an Event of Default, then notwithstanding any collateral or other security or credit support for the Guaranteed Liabilities, at the Administrative Agent's election and without notice thereof or demand therefor (except as provided in the Credit Agreement), the Guarantors' Obligations shall immediately be and become due and payable.

6. Subordination. Until this Guaranty Agreement is terminated in accordance with Section 21 hereof, each Guarantor hereby unconditionally subordinates all present and future debts, liabilities or obligations now or hereafter owing to such Guarantor (a) of the Borrower, to the payment in full of the Guaranteed Liabilities, (b) of every other Guarantor (an "obligated guarantor"), to the payment in full of the Guarantors' Obligations of such obligated guarantor, and (c) of each other Person now or hereafter constituting a Loan Party, to the payment in full of the obligations of such Loan Party owing to any Guaranteed Party and arising under the Loan Documents, any Guaranteed Cash Management Agreement or any Guaranteed Hedge Agreement. All amounts due under such subordinated debts, liabilities, or obligations shall, upon the occurrence and during the continuance of an Event of Default, be collected and, upon request by the Administrative Agent, paid over forthwith to the Administrative Agent for the benefit of the Guaranteed Parties on account of the Guaranteed Liabilities, the Guarantors' Obligations, or such other obligations, as applicable, and, after such request and pending such payment, shall be held by such Guarantor as agent and bailee of the Guaranteed Parties separate and apart from all other funds, property and accounts of such Guarantor.

7. Suits. Each Guarantor from time to time shall pay to the Administrative Agent for the benefit of the Guaranteed Parties, on written demand, at the Administrative Agent's Office or such other address as the Administrative Agent shall give notice of to such Guarantor, the Guarantors' Obligations as they become or are declared due, and in the event such payment is not made forthwith, the Administrative Agent may proceed to suit against any one or more or all of the Guarantors. At the Administrative Agent's election, one or more and successive or concurrent suits may be brought hereon by the Administrative Agent against any one or more or all of the Guarantors, whether or not suit has been commenced against the Borrower, any other Guarantor, or any other Person and whether or not the Guaranteed Parties have taken or failed to

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take any other action to collect all or any portion of the Guaranteed Liabilities or Guarantors' Obligations or have taken or failed to take any actions against any collateral securing payment or performance of all or any portion of the Guaranteed Liabilities or Guarantors' Obligations, and irrespective of any event, occurrence, or condition described in Section 3 hereof.

8. Set-Off and Waiver. Each Guarantor waives any right to assert against any Guaranteed Party as a defense, counterclaim, set-off, recoupment or cross claim in respect of its Guarantor's Obligations, any defense (legal or equitable) or other claim which such Guarantor may now or at any time hereafter have against the Borrower or any or all of the Guaranteed Parties without waiving any additional defenses, set-offs, counterclaims or other claims otherwise available to such Guarantor.

9. Waiver of Notice; Subrogation.

(a) Each Guarantor hereby waives to the extent permitted by law notice of the following events or occurrences: (i) acceptance of this Guaranty Agreement; (ii) the Guaranteed Parties' heretofore, now or from time to time hereafter making Loans and issuing Letters of Credit and otherwise loaning monies or giving or extending credit to or for the benefit of the Borrower or any other Loan Party, or otherwise entering into arrangements with any Loan Party giving rise to Guaranteed Liabilities, whether pursuant to the Credit Agreement or the Notes or any other Loan Document or Related Agreement or any amendments, modifications, or supplements thereto, or replacements or extensions thereof; (iii) presentment, demand (other than any written demand expressly required hereunder), default, non-payment, partial payment and protest; and (iv) any other event, condition, or occurrence described in Section 3 hereof. Each Guarantor agrees that each Guaranteed Party may heretofore, now or at any time hereafter do any or all of the foregoing in such manner, upon such terms and at such times as each Guaranteed Party, in its sole and absolute discretion, deems advisable, without in any way or respect impairing, affecting, reducing or releasing such Guarantor from its Guarantor's Obligations, and each Guarantor hereby consents to each and all of the foregoing events or occurrences.

(b) Each Guarantor hereby agrees that payment or performance by such Guarantor of its Guarantor's Obligations under this Guaranty Agreement may be enforced by the Administrative Agent on behalf of the Guaranteed Parties upon written demand by the Administrative Agent to such Guarantor without the Administrative Agent being required, such Guarantor expressly waiving to the extent permitted by law any right it may have to require the Administrative Agent, to (i) prosecute collection or seek to enforce or resort to any remedies against the Borrower or any other Guarantor or any other guarantor of the Guaranteed Liabilities, or (ii) seek to enforce or resort to any remedies with respect to any security interests, Liens or encumbrances granted to the Administrative Agent or any Lender or other party to a Related Agreement by the Borrower, any other Guarantor or any other Person on account of the Guaranteed Liabilities or any guaranty thereof, **IT BEING EXPRESSLY UNDERSTOOD, ACKNOWLEDGED AND AGREED TO BY SUCH GUARANTOR THAT DEMAND UNDER THIS GUARANTY AGREEMENT MAY BE MADE BY THE**

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ADMINISTRATIVE AGENT, AND THE PROVISIONS HEREOF ENFORCED BY THE ADMINISTRATIVE AGENT, EFFECTIVE AS OF THE FIRST DATE ANY EVENT OF DEFAULT OCCURS AND IS CONTINUING.

(c) Each Guarantor further agrees with respect to this Guaranty Agreement that it shall have no right of subrogation, reimbursement, contribution or indemnity, nor any right of recourse to security for the Guaranteed Liabilities, unless and until 93 days immediately following the Facility Termination Date shall have elapsed without the filing or commencement, by or against any Loan Party, of any state or federal action, suit, petition or proceeding seeking any reorganization, liquidation or other relief or arrangement in respect of creditors of, or the appointment of a receiver, liquidator, trustee or conservator in respect to, such Loan Party or its assets. This waiver is expressly intended to prevent the existence of any claim in respect of such subrogation, reimbursement, contribution or indemnity by any Guarantor against the estate of any other Loan Party within the meaning of Section 101 of the Bankruptcy Code, in the event of a subsequent case involving any other Loan Party. If an amount shall be paid to any Guarantor on account of such rights at any time prior to termination of this Guaranty Agreement in accordance with the provisions of Section 21 hereof, such amount shall be held in trust for the benefit of the Guaranteed Parties and shall forthwith be paid to the Administrative Agent, for the benefit of the Guaranteed Parties, to be credited and applied upon the Guarantors' Obligations, whether matured or unmatured, in accordance with the terms of the Credit Agreement or otherwise as the Guaranteed Parties may elect. The agreements in this subsection shall survive repayment of all of the Guarantors' Obligations, the termination or expiration of this Guaranty Agreement in any manner, including but not limited to termination in accordance with Section 21 hereof, and occurrence of the Facility Termination Date.

10. Effectiveness; Enforceability. This Guaranty Agreement shall be effective as of the date first above written and shall continue in full force and effect until termination in accordance with Section 21 hereof. Any claim or claims that the Guaranteed Parties may at any time hereafter have against a Guarantor under this Guaranty Agreement may be asserted by the Administrative Agent on behalf of the Guaranteed Parties by written notice directed to such Guarantor in accordance with Section 23 hereof.

11. Representations and Warranties. Each Guarantor warrants and represents to the Administrative Agent, for the benefit of the Guaranteed Parties, that it has the power and authority and is duly authorized to execute and deliver this Guaranty Agreement (or the Guaranty Joinder Agreement to which it is a party, as applicable), and to perform its obligations under this Guaranty Agreement, that this Guaranty Agreement (or the Guaranty Joinder Agreement to which it is a party, as applicable) has been duly executed and delivered on behalf of such Guarantor by its duly authorized representatives; that this Guaranty Agreement (and any Guaranty Joinder Agreement to which such Guarantor is a party) is legal, valid, binding and enforceable against such Guarantor in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles; and that such Guarantor's execution, delivery and performance of this Guaranty Agreement (and any Guaranty

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Joinder Agreement to which such Guarantor is a party) do not require any consent or approval of any Person and do not violate or constitute a breach of any of its Organization Documents, any agreement or instrument to which such Guarantor is a party, or any law, order, regulation, decree or award of any governmental authority or arbitral body to which it or its properties or operations is subject.

12. Expenses. Each Guarantor agrees to be jointly and severally liable for the payment of all reasonable fees and expenses, including Attorneys' Costs, incurred by any Guaranteed Party in connection with the enforcement of this Guaranty Agreement, whether or not suit be brought.

13. Reinstatement. Each Guarantor agrees that this Guaranty Agreement shall continue to be effective or be reinstated, as the case may be, if at any time payment received by any Guaranteed Party in respect of any Guaranteed Liabilities is rescinded or must be restored for any reason, or is repaid by any Guaranteed Party in whole or in part in good faith settlement of any pending or threatened avoidance claim.

14. Reliance. Each Guarantor represents and warrants to the Administrative Agent, for the benefit of the Guaranteed Parties, that: (a) such Guarantor has adequate means to obtain on a continuing basis (i) from the Borrower, information concerning the Loan Parties and the Loan Parties' financial condition and affairs and (ii) from other reliable sources, such other information as it deems material in deciding to provide this Guaranty Agreement and any Guaranty Joinder Agreement ("**Other Information**"), and has full and complete access to the Loan Parties' books and records and to such Other Information; (b) such Guarantor is not relying on any Guaranteed Party or its or their employees, directors, agents or other representatives or Affiliates, to provide any such information, now or in the future; (c) such Guarantor has been furnished with and reviewed the terms of the Credit Agreement and such other Loan Documents and Related Agreements as it has requested, is executing this Guaranty Agreement (or the Guaranty Joinder Agreement to which it is a party, as applicable) freely and deliberately, and understands the obligations and financial risk undertaken by providing this Guaranty Agreement (and any Guaranty Joinder Agreement); (d) such Guarantor has relied solely on such Guarantor's own independent investigation, appraisal and analysis of the Borrower, the Borrower's financial condition and affairs, the Other Information, and such other matters as it deems material in deciding to provide this Guaranty Agreement (and any Guaranty Joinder Agreement) and is fully aware of the same; and (e) such Guarantor has not depended or relied on any Guaranteed Party or its or their employees, directors, agents or other representatives or Affiliates, for any information whatsoever concerning the Borrower or the Borrower's financial condition and affairs or any other matters material to such Guarantor's decision to provide this Guaranty Agreement (and any Guaranty Joinder Agreement), or for any counseling, guidance, or special consideration or any promise therefor with respect to such decision. Each Guarantor agrees that no Guaranteed Party has any duty or responsibility whatsoever, now or in the future, to provide to such Guarantor any information concerning the Borrower or the Borrower's financial condition and affairs, or any Other Information, other than as expressly provided herein, and that, if such Guarantor receives any such information from any Guaranteed Party or its or their employees, directors, agents or other representatives or Affiliates, such Guarantor will independently verify such information and will not rely on any Guaranteed Party or its or their

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employees, directors, agents or other representatives or Affiliates, with respect to such information.

15. Rules of Interpretation. The rules of interpretation contained in Section 1.02 of the Credit Agreement shall be applicable to this Guaranty Agreement and each Guaranty Joinder Agreement and are hereby incorporated by reference. All representations and warranties contained herein shall survive the delivery of documents and any extension of credit referred to herein or guaranteed hereby.

16. Entire Agreement. This Guaranty Agreement and each Guaranty Joinder Agreement, together with the Credit Agreement and other Loan Documents, constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior negotiations, agreements, understandings, inducements, commitments or conditions, express or implied, oral or written, with respect to such subject matter except as herein contained. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. Except as provided in Section 21 hereof, neither this Guaranty Agreement nor any Guaranty Joinder Agreement nor any portion or provision hereof or thereof may be changed, altered, modified, supplemented, discharged, canceled, terminated, or amended orally or in any manner other than as provided in the Credit Agreement.

17. Binding Agreement; Assignment. This Guaranty Agreement, each Guaranty Joinder Agreement and the terms, covenants and conditions hereof and thereof, shall be binding upon and inure to the benefit of the parties hereto and thereto, and to their respective heirs, legal representatives, successors and assigns; provided, however, that no Guarantor shall be permitted to assign any of its rights, powers, duties or obligations under this Guaranty Agreement, any Guaranty Joinder Agreement or any other interest herein or therein without the prior written consent of the Administrative Agent. Without limiting the generality of the foregoing sentence of this Section 17, any Lender may assign to one or more Persons, or grant to one or more Persons participations in or to, all or any part of its rights and obligations under the Credit Agreement (to the extent permitted by the Credit Agreement); and to the extent of any such assignment or participation such other Person shall, to the fullest extent permitted by law, thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, subject however, to the provisions of the Credit Agreement, including Article IX thereof (concerning the Administrative Agent) and Section 10.06 thereof concerning assignments and participations. All references herein to the Administrative Agent shall include any successor thereof.

18. Guaranteed Cash Management Agreements and Guaranteed Hedging Agreements. No Guaranteed Party (other than the Administrative Agent) that obtains the benefit of this Guaranty Agreement shall have any right to notice of any action or to consent to, direct or object to any action hereunder (including the release, impairment or modification of any Guarantors' Obligations or security therefor) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Guaranty Agreement to the contrary, the Administrative Agent shall only be required to verify the payment of, or that other satisfactory arrangements have been made with

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respect to, the Guaranteed Obligations arising under Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements to the extent the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as it may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Guaranteed Party not a party to the Credit Agreement that obtains the benefit of this Guaranty Agreement shall be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of the Credit Agreement, and that with respect to the actions and omissions of the Administrative Agent hereunder or otherwise relating hereto that do or may affect such Guaranteed Party, the Administrative Agent and each of its Related Parties shall be entitled to all the rights, benefits and immunities conferred under Article IX of the Credit Agreement.

19. Severability. The provisions of this Guaranty Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, but this Guaranty Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

20. Counterparts. This Guaranty Agreement may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Guaranty Agreement to produce or account for more than one such counterpart executed by the Guarantors against whom enforcement is sought. Without limiting the foregoing provisions of this Section 20, the provisions of Section 10.10 of the Credit Agreement shall be applicable to this Guaranty Agreement.

21. Termination. Subject to reinstatement pursuant to Section 13 hereof, this Guaranty Agreement and each Guaranty Joinder Agreement, and all of the Guarantors' Obligations hereunder (excluding those Guarantors' Obligations relating to Guaranteed Liabilities that expressly survive such termination) shall terminate on the Facility Termination Date.

22. Remedies Cumulative; Late Payments. All remedies hereunder are cumulative and are not exclusive of any other rights and remedies of the Administrative Agent or any other Guaranteed Party provided by law or under the Credit Agreement, the other Related Agreements or other applicable agreements or instruments. The making of the Loans and other credit extensions pursuant to the Credit Agreement and other Related Agreements shall be conclusively presumed to have been made or extended, respectively, in reliance upon each Guarantor's guaranty of the Guaranteed Liabilities pursuant to the terms hereof. Any amounts not paid when due under this Guaranty Agreement shall bear interest at the Default Rate.

23. Notices. Any notice required or permitted hereunder or under any Guaranty Joinder Agreement shall be given, (a) with respect to each Guarantor, at the address of the Borrower indicated in Schedule 10.02 of the Credit Agreement and (b) with respect to the Administrative Agent or any other Guaranteed Party, at the Administrative Agent's address indicated in Schedule 10.02 of the Credit Agreement. All such addresses may be modified, and

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all such notices shall be given and shall be effective, as provided in Section 10.02 of the Credit Agreement for the giving and effectiveness of notices and modifications of addresses thereunder.

24. Joinder. Each Person that shall at any time execute and deliver to the Administrative Agent a Guaranty Joinder Agreement substantially in the form attached as Exhibit A hereto shall thereupon irrevocably, absolutely and unconditionally become a party hereto and obligated hereunder as a Guarantor, and all references herein and in the other Loan Documents to the Guarantors or to the parties to this Guaranty Agreement shall be deemed to include such Person as a Guarantor hereunder.

25. Governing Law; Venue; Waiver of Jury Trial.

(a) THIS GUARANTY AGREEMENT AND EACH GUARANTY JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

(b) EACH GUARANTOR HEREBY EXPRESSLY AND IRREVOCABLY AGREES AND CONSENTS THAT ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY AGREEMENT OR ANY GUARANTY JOINDER AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN MAY BE INSTITUTED IN ANY STATE OR FEDERAL COURT SITTING IN THE COUNTY OF NEW YORK, STATE OF NEW YORK, UNITED STATES OF AMERICA AND, BY THE EXECUTION AND DELIVERY OF THIS GUARANTY AGREEMENT OR A GUARANTY JOINDER AGREEMENT, SUCH GUARANTOR EXPRESSLY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN, OR TO THE EXERCISE OF JURISDICTION OVER IT AND ITS PROPERTY BY, ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH GUARANTOR HEREBY IRREVOCABLY SUBMITS GENERALLY AND UNCONDITIONALLY TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING.

(c) EACH GUARANTOR AGREES THAT SERVICE OF PROCESS MAY BE MADE BY PERSONAL SERVICE OF A COPY OF THE SUMMONS AND COMPLAINT OR OTHER LEGAL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING, OR BY REGISTERED OR CERTIFIED MAIL (POSTAGE PREPAID) TO THE ADDRESS FOR NOTICES TO SUCH GUARANTOR IN EFFECT PURSUANT TO SECTION 23 HEREOF, OR BY ANY OTHER METHOD OF SERVICE PROVIDED FOR UNDER THE APPLICABLE LAWS IN EFFECT IN THE STATE OF NEW YORK.

(d) NOTHING CONTAINED IN SUBSECTIONS (b) or (c) HEREOF SHALL PRECLUDE THE ADMINISTRATIVE AGENT FROM BRINGING ANY

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SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY AGREEMENT OR ANY GUARANTY JOINDER AGREEMENT OR ANY OTHER LOAN DOCUMENT IN THE COURTS OF ANY JURISDICTION WHERE ANY GUARANTOR OR ANY OF SUCH GUARANTOR'S PROPERTY OR ASSETS MAY BE FOUND OR LOCATED. TO THE EXTENT PERMITTED BY THE APPLICABLE LAWS OF ANY SUCH JURISDICTION, EACH GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT AND EXPRESSLY WAIVES, IN RESPECT OF ANY SUCH SUIT, ACTION OR PROCEEDING, OBJECTION TO THE EXERCISE OF JURISDICTION OVER IT AND ITS PROPERTY BY ANY SUCH OTHER COURT OR COURTS WHICH NOW OR HEREAFTER MAY BE AVAILABLE UNDER APPLICABLE LAW.

(e) IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES UNDER OR RELATED TO THIS GUARANTY AGREEMENT OR ANY GUARANTY JOINDER AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR THAT MAY IN THE FUTURE BE DELIVERED IN CONNECTION THEREWITH, EACH GUARANTOR AND THE ADMINISTRATIVE AGENT ON BEHALF OF THE GUARANTEED PARTIES HEREBY AGREE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THAT ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY AND HEREBY IRREVOCABLY WAIVE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT ANY SUCH PERSON MAY HAVE TO TRIAL BY JURY IN ANY SUCH ACTION, SUIT OR PROCEEDING.

(f) EACH GUARANTOR HEREBY EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE THAT ANY COURT TO WHOSE JURISDICTION IT HAS SUBMITTED PURSUANT TO THE TERMS HEREOF IS AN INCONVENIENT FORUM.

[Signature page follows.]

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IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Guaranty Agreement as of the day and year first written above.

GUARANTORS:

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: _____
Name: _____
Title: _____

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EXHIBIT A

Form of Guaranty Joinder Agreement

GUARANTY JOINDER AGREEMENT

THIS GUARANTY JOINDER AGREEMENT dated as of _____, 20__ (this "**Guaranty Joinder Agreement**"), is made by _____, a _____ (the "**Joining Guarantor**"), in favor of **BANK OF AMERICA, N.A.**, in its capacity as Administrative Agent (the "**Administrative Agent**") for the Guaranteed Parties (as defined in the Guaranty Agreement referenced below; all capitalized terms used but not defined herein shall have the meanings given to such terms in such Guaranty Agreement).

RECITALS:

A. Certain Domestic Subsidiaries of Republic Services, Inc., a Delaware corporation (the "**Borrower**"), are party to a Guaranty Agreement dated as of _____, 200__ (as in effect on the date hereof, the "**Guaranty Agreement**").

B. The Joining Guarantor is a Domestic Subsidiary and is required by the terms of the Credit Agreement to be joined as a party to the Guaranty Agreement as a Guarantor.

C. The Joining Guarantor will materially benefit directly and indirectly from the making and maintenance of the extensions of credit made from time to time under the Credit Agreement, Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements.

In order to induce the Guaranteed Parties to from time to time make and maintain extensions of credit under the Credit Agreement, Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements, the Joining Guarantor hereby agrees as follows:

1. Joinder. The Joining Guarantor hereby irrevocably, absolutely and unconditionally becomes a party to the Guaranty Agreement as a Guarantor and bound by all the terms, conditions, obligations, liabilities and undertakings of each Guarantor or to which each Guarantor is subject thereunder, including without limitation the joint and several, unconditional, absolute, continuing and irrevocable guarantee to the Administrative Agent for the benefit of the Guaranteed Parties of the payment and performance in full of the Guaranteed Liabilities whether now existing or hereafter arising, all with the same force and effect as if the Joining Guarantor were a signatory to the Guaranty Agreement.

Form of Guaranty

2. Affirmations. The Joining Guarantor hereby acknowledges and reaffirms as of the date hereof with respect to itself, its properties and its affairs each of the waivers, representations, warranties, acknowledgements and certifications applicable to any Guarantor contained in the Guaranty Agreement.

3. Severability. The provisions of this Guaranty Joinder Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, but this Guaranty Joinder Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

4. Counterparts. This Guaranty Joinder Agreement may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Guaranty Joinder Agreement to produce or account for more than one such counterpart executed by the Joining Guarantor. Without limiting the foregoing provisions of this Section 4, the provisions of Section 10.10 of the Credit Agreement shall be applicable to this Guaranty Joinder Agreement.

5. Delivery. The Joining Guarantor hereby irrevocably waives notice of acceptance of this Guaranty Joinder Agreement and acknowledges that the Guaranteed Liabilities are and shall be deemed to be incurred, and credit extensions under the Loan Documents, Guaranteed Cash Management Agreements and Guaranteed Hedge Agreements made and maintained, in reliance on this Guaranty Joinder Agreement and the Joining Guarantor's joinder as a party to the Guaranty Agreement as herein provided.

6. Governing Law; Venue; Waiver of Jury Trial. The provisions of Section 25 of the Guaranty Agreement are hereby incorporated by reference as if fully set forth herein.

[Signature page follows.]

Form of Guaranty

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IN WITNESS WHEREOF, the Joining Guarantor has duly executed and delivered this Guaranty Joinder Agreement as of the day and year first written above.

JOINING GUARANTOR:

By: _____

Name: _____

Title: _____

Form of Guaranty

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OPINION MATTERS

As used below, the term, "Transaction Documents" means the following:

1. the Credit Agreement;
2. the Notes;
3. the Guaranty; and
4. the Guaranty Joinder Agreement.

The following opinions shall be delivered on the Initial Funding Date by Akerman Senterfitt limited, in the cases of 1, 2(a), 2(b) and 3 to the laws of the States of California, Florida, Maryland, New York and Virginia and the Delaware limited liability company act and general corporation law. Local counsel shall deliver 1, 2(a), 2(b), and 3 with respect to other jurisdictions.

1. Each Loan Party is a corporation, limited liability company or limited partnership, as the case may be, validly existing and in good standing under the laws of the jurisdiction of its organization.

2. Each Loan Party has the requisite corporate, limited liability company or limited partnership power and authority, as the case may be, to execute, deliver and perform its obligations under each of the Transaction Documents to which it is a party. Such execution and delivery, and the repayment of its obligations thereunder:

(a) has been duly authorized by all necessary and proper corporate, limited partnership or limited liability company action, as the case may be, of such Loan Party;

(b) does not violate the Organizational Documents of such Loan Party or require any approval of such Loan Party's shareholders, members, managers, limited partners or general partners, as the case may be, which has not been obtained;

(c) will not violate any law or regulation of the State of New York or any law or regulation of the United States of America (including, without limitation, Regulations T, U or X), in each case, applicable to such Loan Party; and

(d) will not (i) conflict with, violate or constitute a breach of any contract, agreement, indenture, lease, instrument, commitment, judgment, writ, determination, order, decree or arbitral award to which such Loan Party is a party or by which such Loan Party or any of its properties is bound and which is specifically identified to us in the Officers' Certificates as material to the Credit Parties, taken as a whole, or (ii) to our actual knowledge, without independent investigation, result in the

Opinion Matters

creation or imposition of any lien, pledge, charge or encumbrance of any nature upon or with respect to any of the properties of such Loan Party.

3. Each of the Transaction Documents has been duly executed and delivered by a duly authorized officer or signatory of the Loan Party delivering the same.

4. No approval by, authorization of, or filing with any agency or instrumentality of the United States or the State of New York is necessary in connection with the execution and delivery by each of the Credit Parties of the Transaction Documents to which it is a party or each Loan Party's performance of its obligations thereunder, except for approvals or authorizations which have been obtained and filings which have been made.

5. Each of the Transaction Documents constitutes the valid and binding obligation of each Loan Party that is a party thereto, enforceable against such Loan Party in accordance with its terms.

6. To our actual knowledge, without independent investigation, and based solely on our review of the Officers' Certificates, there is no pending or threatened in writing, action, suit, investigation or proceeding before or by any court, or governmental department, commission, board, bureau, instrumentality, agency or arbitral authority, which calls into question the validity or enforceability of any of the Transaction Documents.

Opinion Matters

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FORM OF REPORT OF LETTER OF CREDIT INFORMATION

To: Bank of America, N.A. as Administrative Agent

Attn:

Phone No.:

Fax No.:

Ref.: Letters of Credit

Issued for the account of Republic Services, Inc.
or any Subsidiary thereof under
the Credit Agreement dated as of September 18, 2008

Reporting Period : ___/___/200__ through ___/___/200__

<u>L/C No.</u>	<u>Maximum Face Amount</u>	<u>Current Face Amount</u>	<u>Escalating Y/N(?) If "Y" Provide Schedule*</u>	<u>Beneficiary Name</u>	<u>Issuance Date</u>	<u>Expiry Date</u>	<u>Auto Renewal</u>	<u>Auto Renewal Period/ Notice</u>	<u>Date of Amend- -ment</u>	<u>Amount of Amend- ment</u>	<u>Type of Amend- ment</u>
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Form of Report of Letter of Credit Information

Republic Services, Inc.**Subsidiaries and Affiliates**

623 Landfill, Inc.
A D A J Corporation
A-Best Disposal, Inc.
Abilene Landfill TX, LP
Ace Disposal Services, Inc.
Action Disposal, Inc.
Ada County Development Company, Inc.
Adrian Landfill, Inc.
ADS of Illinois, Inc.
ADS, Inc.
Agri-Tech, Inc. of Oregon
Agricultural Acquisitions, LLC
Alabama Recycling Services, Inc.
Albany-Lebanon Sanitation, Inc.
Allied Acquisition Pennsylvania, Inc.
Allied Acquisition Two, Inc.
Allied Enviroengineering, Inc.
Allied Gas Recovery Systems, L.L.C.
Allied Green Power, Inc.
Allied Nova Scotia, Inc.
Allied Receivables Funding Incorporated
Allied Services, LLC
Allied Transfer Systems of New Jersey, LLC
Allied Waste Alabama, Inc.
Allied Waste Company, Inc.
Allied Waste Environmental Management Group, LLC
Allied Waste Hauling of Georgia, Inc.
Allied Waste Holdings (Canada) Ltd.
Allied Waste Industries (Arizona), Inc.
Allied Waste Industries (New Mexico), Inc.
Allied Waste Industries (Southwest), Inc.
Allied Waste Industries of Georgia, Inc.
Allied Waste Industries of Illinois, Inc.
Allied Waste Industries of Northwest Indiana, Inc.
Allied Waste Industries of Tennessee, Inc.
Allied Waste Industries, Inc.
Allied Waste Landfill Holdings, Inc.
Allied Waste Niagara Falls Landfill, LLC
Allied Waste North America, Inc.
Allied Waste of California, Inc.
Allied Waste of Long Island, Inc.
Allied Waste of New Jersey, Inc.
Allied Waste of New Jersey-New York, LLC
Allied Waste of Ponce, Inc.
Allied Waste of Puerto Rico, Inc.
Allied Waste Recycling Services of New Hampshire, LLC
Allied Waste Rural Sanitation, Inc.
Allied Waste Services of Colorado, Inc.

Jurisdiction of Formation

Virginia
California
Ohio
Delaware
Ohio
Texas
Idaho
Michigan
Illinois
Oklahoma
Oregon
Indiana
Alabama
Oregon
Pennsylvania
Massachusetts
Delaware
Delaware
Delaware
Delaware
Delaware
New Jersey
Delaware
Delaware
Delaware
Georgia
Delaware
Arizona
New Mexico
Arizona
Georgia
Illinois
Indiana
Tennessee
Delaware
Delaware
New York
Delaware
California
New York
New Jersey
Delaware
Puerto Rico
Puerto Rico
Delaware
Delaware
Delaware

Subsidiaries and Affiliates

Allied Waste Services of Fort Worth, LLC
Allied Waste Services of Massachusetts, LLC
Allied Waste Services of North America, LLC
Allied Waste Services of Page, Inc.
Allied Waste Services of Stillwater, Inc.
Allied Waste Sycamore Landfill, LLC
Allied Waste Systems Holdings, Inc.
Allied Waste Systems of Arizona, LLC
Allied Waste Systems of Colorado, LLC
Allied Waste Systems of Indiana, LLC
Allied Waste Systems of Michigan, LLC
Allied Waste Systems of Montana, LLC
Allied Waste Systems of New Jersey, LLC
Allied Waste Systems of North Carolina, LLC
Allied Waste Systems of Pennsylvania, LLC
Allied Waste Systems, Inc.
Allied Waste Transfer Services of Arizona, LLC
Allied Waste Transfer Services of California, LLC
Allied Waste Transfer Services of Florida, LLC
Allied Waste Transfer Services of Iowa, LLC
Allied Waste Transfer Services of Lima, LLC
Allied Waste Transfer Services of New York, LLC
Allied Waste Transfer Services of North Carolina, LLC
Allied Waste Transfer Services of Oregon, LLC
Allied Waste Transfer Services of Rhode Island, LLC
Allied Waste Transfer Services of Utah, Inc.
Allied Waste Transportation, Inc.
American Disposal Services of Illinois, Inc.
American Disposal Services of Kansas, Inc.
American Disposal Services of Missouri, Inc.
American Disposal Services of New Jersey, Inc.
American Disposal Services of West Virginia, Inc.
American Disposal Services, Inc.
American Disposal Transfer Services of Illinois, Inc.
American Materials Recycling Corp.
American Sanitation, Inc.
American Transfer Company, Inc.
Anderson Solid Waste, Inc.
Anson County Landfill NC, LLC
Apache Junction Landfill Corporation
Arbor Hills Holdings L.L.C.
Arc Disposal Company, Inc.
Area Disposal, Inc.
Ariana, LLC
Astro Waste Services, Inc.
Atlantic Waste Holding Company, Inc.
Atlas Transport, Inc.
Attwoods of North America, Inc.
Autauga County Landfill, LLC
Automated Modular Systems, Inc.
Autoshred, Inc.
AWIN Leasing Company, Inc.

Jurisdiction of Formation

Texas
Massachusetts
Delaware
Idaho
Oklahoma
Delaware
Delaware
Arizona
Colorado
Delaware
Michigan
Montana
New Jersey
North Carolina
Pennsylvania
Delaware
Delaware
California
Florida
Iowa
Ohio
New York
North Carolina
Oregon
Delaware
Utah
Delaware
Delaware
Kansas
Oklahoma
Delaware
Delaware
Delaware
New Jersey
Idaho
New York
California
Delaware
Arizona
Delaware
Illinois
Illinois
Delaware
Maine
Massachusetts
California
Delaware
Alabama
New Jersey
Missouri
Delaware

Subsidiaries and Affiliates

BFI Waste Systems of Indiana, LP
BFI Waste Systems of Kentucky, LLC
BFI Waste Systems of Louisiana, LLC
BFI Waste Systems of Massachusetts, LLC
BFI Waste Systems of Mississippi, LLC
BFI Waste Systems of Missouri, LLC
BFI Waste Systems of New Jersey, Inc.
BFI Waste Systems of North America, LLC
BFI Waste Systems of North Carolina, LLC
BFI Waste Systems of Oklahoma, LLC
BFI Waste Systems of South Carolina, LLC
BFI Waste Systems of Tennessee, LLC
BFI Waste Systems of Virginia, LLC
Bio-Med of Oregon, Inc.
BLT Enterprises of Oxnard, Inc.
Blue Ridge Landfill General Partnership
Blue Ridge Landfill TX, LP
Bom Ambiente Insurance Company
Bond County Landfill, Inc.
Borrego Landfill, Inc.
Borrow Pit Corp.
Brenham Total Roll-Offs, LP
Brickyard Disposal & Recycling, Inc.
Bridgeton Landfill, LLC
Bridgeton Transfer Station, LLC
Browning-Ferris Financial Services, Inc.
Browning-Ferris Industries Argentina, S.A.
Browning-Ferris Industries Asia Pacific, Inc.
Browning-Ferris Industries Chemical Services, Inc.
Browning-Ferris Industries de Mexico, S.A. de C.V.
Browning-Ferris Industries Europe, Inc.
Browning-Ferris Industries of California, Inc.
Browning-Ferris Industries of Florida, Inc.
Browning-Ferris Industries of Illinois, Inc.
Browning-Ferris Industries of New Jersey, Inc.
Browning-Ferris Industries of New York, Inc.
Browning-Ferris Industries of Ohio, Inc.
Browning-Ferris Industries of Tennessee, Inc.
Browning-Ferris Industries, Inc.
Browning-Ferris Industries, LLC
Browning-Ferris Services, Inc.
Browning-Ferris, Inc.
Brunswick Waste Management Facility, LLC
Bunting Trash Service, Inc.
Butler County Landfill, LLC
C & C Expanded Sanitary Landfill, LLC
Cactus Waste Systems, LLC
Calvert Trash Service Incorporated
Calvert Trash Systems, Incorporated
Camelot Landfill TX, LP
Capital Waste & Recycling, Inc.
Capitol Recycling and Disposal, Inc.

Jurisdiction of Formation

Delaware
Delaware
Delaware
Massachusetts
Delaware
Delaware
New Jersey
Delaware
Delaware
Oklahoma
Delaware
Delaware
Delaware
Oregon
California
Kentucky
Delaware
Cayman Islands
Delaware
California
Illinois
Delaware
Illinois
Delaware
Delaware
Delaware
Argentina
Delaware
Nevada
Mexico
Delaware
California
Delaware
Delaware
New Jersey
New York
Delaware
Tennessee
Massachusetts
Delaware
Delaware
Maryland
Delaware
Colorado
Delaware
Michigan
Arizona
Maryland
Maryland
Delaware
New York
Oregon

Subsidiaries and Affiliates

Carbon Limestone Landfill, LLC
CC Landfill, Inc.
CECOS International, Inc.
Cefe Landfill TX, LP
Celina Landfill, Inc.
Central Arizona Transfer, Inc.
Central Sanitary Landfill, Inc.
Central Virginia Properties, LLC
Champlin Refuse, Inc.
Charter Evaporation Resource Recovery Systems
Cherokee Run Landfill, Inc.
Chilton Landfill, LLC
Citizens Disposal, Inc.
City-Star Services, Inc.
Clarkston Disposal, Inc.
Clinton County Landfill Partnership
Cocopah Landfill, Inc.
Commercial Reassurance Limited
Compactor Rental Systems of Delaware, Inc.
Congress Development Co.
Consolidated Disposal Service, L.L.C.
Consolidated Processing, Inc.
Continental Waste Industries — Gary, Inc.
Continental Waste Industries, L.L.C.
Copper Mountain Landfill, Inc.
Corvallis Disposal Co.
County Disposal (Ohio), Inc.
County Disposal, Inc.
County Environmental Landfill, LLC
County Land Development Landfill, LLC
County Landfill, Inc.
County Line Landfill Partnership
Courtney Ridge Landfill, LLC
Covington Waste, Inc.
Crescent Acres Landfill, LLC
Crockett Sanitary Service, Inc.
Crow Landfill TX, L.P.
Cumberland County Development Company, LLC
CWI of Florida, Inc.
CWI of Illinois, Inc.
CWI of Missouri, Inc.
D & L Disposal L.L.C.
Dallas Disposal Co.
Delta Container Corporation
Delta Dade Recycling Corp.
Delta Paper Stock, Co.
Delta Resources Corp.
Delta Site Development Corp.
Delta Waste Corp.
Dempsey Waste Systems II, Inc.
Denver RL North, Inc.
Desarrollo del Rancho La Gloria TX, LP

Jurisdiction of Formation

Ohio
Delaware
New York
Delaware
Ohio
Arizona
Michigan
Georgia
Minnesota
California
Ohio
Delaware
Michigan
Michigan
Michigan
Indiana
Delaware
Ireland
Delaware
Illinois
Delaware
Illinois
Indiana
Delaware
Delaware
Oregon
Delaware
Delaware
Ohio
Ohio
Delaware
Indiana
Delaware
Tennessee
Louisiana
California
Delaware
Virginia
Florida
Illinois
Missouri
Delaware
Oregon
California
Florida
California
Florida
Florida
Florida
Ohio
Colorado
Texas

Subsidiaries and Affiliates

Dinverno, Inc.
DTC Management, Inc.
E & P Investment Corporation
E Leasing Company, LLC
Eagle Industries Leasing, Inc.
East Chicago Compost Facility, Inc.
ECDC Environmental of Humboldt County, Inc.
ECDC Environmental, L.C.
ECDC Holdings, Inc.
EcoSort, L.L.C.
El Centro Landfill, L.P.
Elder Creek Transfer & Recovery, Inc.
Ellis County Landfill TX, LP
Ellis Scott Landfill MO, LLC
Envirocycle, Inc.
Environmental Development Corp.
Environmental Development Corp.
Environmental Reclamation Company
Environtech, Inc.
Envotech-Illinois L.L.C.
Evergreen National Indemnity Company
Evergreen Scavenger Service, Inc.
Evergreen Scavenger Service, L.L.C.
F. P. McNamara Rubbish Removal, Inc.
Flint Hill Road, LLC
FLL, Inc.
Foothill Sanitary Landfill, Inc.
Forest View Landfill, LLC
Fort Worth Landfill TX, LP
Forward, Inc.
Fred Barbara Trucking Co., Inc.
Frontier Waste Services (Colorado), LLC
Frontier Waste Services (Utah), LLC
Frontier Waste Services of Louisiana L.L.C.
Frontier Waste Services, L.P.
G. Van Dyken Disposal Inc.
Galveston County Landfill TX, LP
Gateway Landfill, LLC
GEK, Inc.
General Refuse Rolloff Corp.
General Refuse Service of Ohio, L.L.C.
Georgia Recycling Services, Inc.
Giles Road Landfill TX, LP
Global Indemnity Assurance Company
Golden Bear Transfer Services, Inc.
Golden Triangle Landfill TX, LP
Golden Waste Disposal, Inc.
Grants Pass Sanitation, Inc.
Great Lakes Disposal Service, Inc.
Great Plains Landfill OK, LLC
Green Valley Landfill General Partnership
Greenridge Reclamation, LLC

Jurisdiction of Formation

Michigan
Indiana
Illinois
Delaware
Michigan
Delaware
Delaware
Utah
Delaware
Oregon
Texas
California
Delaware
Delaware
Florida
Delaware
Puerto Rico
Illinois
Delaware
Delaware
Ohio
Delaware
Delaware
Massachusetts
South Carolina
Michigan
California
Delaware
Delaware
California
Illinois
Colorado
Utah
Louisiana
Texas
Michigan
Delaware
Georgia
Alabama
Delaware
Ohio
Delaware
Delaware
Vermont
California
Delaware
Georgia
Oregon
Delaware
Delaware
Kentucky
Pennsylvania

Subsidiaries and Affiliates

Greenridge Waste Services, LLC
Greenwood Landfill TX, LP
Gulf West Landfill TX, LP
Gulfcoast Waste Service, Inc.
H Leasing Company, LLC
Hancock County Development Company, LLC
Harland's Sanitary Landfill, Inc.
Harrison County Landfill, LLC
HMD Waste, L.L.C.
Honeygo Run Reclamation Center, Inc.
Hyder Waste Container, Inc.
Illiana Disposal Partnership
Illinois Landfill, Inc.
Illinois Recycling Services, Inc.
Illinois Valley Recycling, Inc.
Imperial Landfill, Inc.
Independent Trucking Company
Ingrum Waste Disposal, Inc.
International Disposal Corp. of California
Island Waste Services Ltd.
Itasca Landfill TX, LP
Jackson County Landfill, LLC
Jasper County Development Company Partnership
Jefferson City Landfill, LLC
Jefferson Parish Development Company, LLC
Jetter Disposal, Inc.
K & K Trash Removal, Inc.
Kandel Enterprises, LLC
Kankakee Quarry, Inc.
Keller Canyon Landfill Company
Keller Drop Box, Inc.
Kent-Meridian Disposal Company
Kerrville Landfill TX, LP
Key Waste Indiana Partnership
La Cañada Disposal Company, Inc.
Lake County C & D Development Partnership
Lake Norman Landfill, Inc.
LandComp Corporation
Lathrop Sunrise Sanitation Corporation
Lee County Landfill SC, LLC
Lee County Landfill, Inc.
Lemons Landfill, LLC
Lewisville Landfill TX, LP
Liberty Waste Holdings, Inc.
Liberty Waste Services Limited, L.L.C.
Liberty Waste Services of Illinois, L.L.C.
Liberty Waste Services of McCook, L.L.C.
Little Creek Landing, LLC
Local Sanitation of Rowan County, L.L.C.
Loop Recycling, Inc.
Loop Transfer, Incorporated
Lorain County Landfill, LLC

Jurisdiction of Formation

Pennsylvania
Delaware
Delaware
Florida
Delaware
Mississippi
Michigan
Mississippi
Delaware
Maryland
North Carolina
Indiana
Illinois
Illinois
Illinois
California
California
Illinois
California
New York
Delaware
Mississippi
Indiana
Delaware
Louisiana
Iowa
Maryland
Delaware
Illinois
California
Oregon
Washington
Delaware
Indiana
California
Indiana
North Carolina
Illinois
California
Delaware
Illinois
Delaware
Delaware
Delaware
Delaware
Illinois
Delaware
Delaware
Illinois
Illinois
Ohio

Subsidiaries and Affiliates

Louis Pinto & Son, Inc., Sanitation Contractors
Lucas County Land Development, Inc.
Lucas County Landfill, LLC
M-G Disposal Services, L.L.C.
Madison County Development, LLC
Manumit of Florida, Inc.
Marion Resource Recovery Facility, LLC
Mars Road TX, LP
McCarty Road Landfill TX, LP
McCusker Recycling, Inc.
McInnis Waste Systems, Inc.
Menands Environmental Solutions, LLC
Mesa Disposal, Inc.
Mesquite Landfill TX, LP
Mexia Landfill TX, LP
Midway Development Company, Inc.
Minneapolis Refuse, Incorporated
Mississippi Waste Paper Company
Missouri City Landfill, LLC
Modern-Mallard Energy, LLC
Morehead Landfill General Partnership
Mountain Home Disposal, Inc.
N Leasing Company, LLC
NationsWaste Catawba Regional Landfill, Inc.
NationsWaste, Inc.
Ncorp, Inc.
New Morgan Landfill Company, Inc.
New York Waste Services, LLC
Newco Waste Systems of New Jersey, Inc.
Newton County Landfill Partnership
Noble Road Landfill, Inc.
Northeast Landfill, LLC
Northlake Transfer, Inc.
Northwest Tennessee Disposal Corporation
Oakland Heights Development, Inc.
Obscurity Land Development, LLC
Oceanside Waste & Recycling Services
Ohio Republic Contracts, II, Inc.
Ohio Republic Contracts, Inc.
Oklahoma City Landfill, L.L.C.
Oscar's Collection System of Fremont, Inc.
Otay Landfill, Inc.
Ottawa County Landfill, Inc.
Packerton Land Company, L.L.C.
Palomar Transfer Station, Inc.
Panama Road Landfill, TX, L.P.
Peltier Real Estate Company
Peninsula Waste Systems, LLC
Perdomo & Sons, Inc.
Perdomo/BLT Enterprises, LLC
Pinal County Landfill Corp.
Pine Bend Holdings L.L.C.

Jurisdiction of Formation

New Jersey
Delaware
Ohio
Delaware
Tennessee
Florida
Oregon
Delaware
Delaware
Pennsylvania
Oregon
New York
Arizona
Delaware
Delaware
Arizona
Minnesota
Mississippi
Missouri
Delaware
Kentucky
Delaware
Delaware
South Carolina
Delaware
Delaware
Pennsylvania
Delaware
New Jersey
Indiana
Ohio
Delaware
Illinois
Tennessee
Michigan
Virginia
California
Delaware
Ohio
Oklahoma
Nebraska
California
Delaware
Delaware
California
Delaware
Oregon
Maryland
California
California
Arizona
Delaware

Subsidiaries and Affiliates

Republic Services of Michigan III, LLC
Republic Services of Michigan IV, LLC
Republic Services of Michigan V, LLC
Republic Services of New Jersey, LLC
Republic Services of North Carolina, LLC
Republic Services of Ohio Hauling, LLC
Republic Services of Ohio I, LLC
Republic Services of Ohio II, LLC
Republic Services of Ohio III, LLC
Republic Services of Ohio IV, LLC
Republic Services of Pennsylvania, LLC
Republic Services of Sonoma County, Inc.
Republic Services of South Carolina, LLC
Republic Services of Southern California, LLC
Republic Services of Tennessee, LLC
Republic Services of Virginia, LLC
Republic Services of Wisconsin GP, LLC
Republic Services of Wisconsin LP, LLC
Republic Services of Wisconsin, Limited Partnership
Republic Services Procurement, Inc.
Republic Services Real Estate Holding, Inc.
Republic Services Risk Management, Inc.
Republic Services Vasco Road, LLC
Republic Silver State Disposal, Inc.
Republic Transportation Services of Canada, Inc.
Republic Waste Services of Southern California, LLC
Republic Waste Services of Texas GP, Inc.
Republic Waste Services of Texas LP, Inc.
Republic Waste Services of Texas, Ltd.
Republic Waste, Limited Partnership
Resource Recovery, Inc.
RI/Alameda Corp.
Richmond Sanitary Service, Inc.
Rio Grande Valley Landfill TX, LP
Risk Services, Inc.
RITM, LLC
Rock Road Industries, Inc.
Roosevelt Associates
Ross Bros. Waste & Recycling Co.
Rossman Sanitary Service, Inc.
Roxana Landfill, Inc.
Royal Holdings, Inc.
Royal Oaks Landfill TX, LP
RSG Cayman Group, Inc.
Rubbish Control, LLC
RWS Texas Leasing Company, LLC
RWS Transport, L.P.
S & S Recycling, Inc.
S Leasing Company, LLC
Saguaro National Captive Insurance Company
Saline County Landfill, Inc.
San Diego Landfill Systems, LLC

Jurisdiction of Formation

Michigan
Michigan
Michigan
Delaware
North Carolina
Ohio
Ohio
Ohio
Ohio
Ohio
Delaware
Delaware
Delaware
Delaware
Delaware
Virginia
Delaware
Delaware
Delaware
Delaware
North Carolina
Delaware
Delaware
Delaware
Delaware
Texas
Delaware
Kansas
California
California
Delaware
Delaware
Delaware
Missouri
Washington
Ohio
Oregon
Illinois
Michigan
Delaware
Delaware
Delaware
Texas
Delaware
Georgia
Delaware
Arizona
Illinois
California

Subsidiaries and Affiliates

San Marcos NCRRF, Inc.
Sand Valley Holdings, L.L.C.
Sandy Hollow Landfill Corp.
Sangamon Valley Landfill, Inc.
Sanifill, Inc.
Sanitary Disposal Service, Inc.
Sauk Trail Development, Inc.
Schofield Corporation of Orlando
Show-Me Landfill, LLC
Shred — All Recycling Systems, Inc.
Solano Garbage Company
Source Recycling, Inc.
South Central Texas Land Co. TX, LP
South Trans, Inc.
Southeast Landfill, LLC
Southern Illinois Regional Landfill, Inc.
Southwest Landfill TX, LP
Springfield Environmental General Partnership
St. Bernard Parish Development Company, LLC
St. Joseph Landfill, LLC
Standard Disposal Services, Inc.
Standard Environmental Services, Inc.
Standard Waste, Inc.
Streator Area Landfill, Inc.
Suburban Transfer, Inc.
Suburban Warehouse, Inc.
Summit Waste Systems, Inc.
Sunrise Sanitation Service, Inc.
Sunset Disposal Service, Inc.
Sunset Disposal, Inc.
Sycamore Landfill, Inc.
Tate's Transfer Systems, Inc.
Tay-Ban Corporation
Taylor Ridge Landfill, Inc.
Tennessee Union County Landfill, Inc.
Tessman Road Landfill TX, LP
The Ecology Group, Inc.
Thomas Disposal Service, Inc.
Tippecanoe County Waste Services Partnership
Tom Luciano's Disposal Service, Inc.
Total Roll-Offs, L.L.C.
Total Solid Waste Recyclers, Inc.
Tri-County Refuse Service, Inc.
Tri-State Recycling Services, Inc.
Tri-State Refuse Corporation
Tricil (N.Y.), Inc.
Turkey Creek Landfill TX, LP
United Disposal Service, Inc.
Upper Rock Island County Landfill, Inc.
Valley Landfills, Inc.
VHG, Inc.
Victoria Landfill TX, LP

Jurisdiction of Formation

California
Delaware
West Virginia
Delaware
Tennessee
Michigan
Michigan
Florida
Delaware
Illinois
California
Oregon
Texas
New Jersey
Delaware
Illinois
Delaware
Indiana
Louisiana
Missouri
Michigan
Michigan
Delaware
Illinois
Illinois
Illinois
Arizona
California
California
Kansas
California
Missouri
Michigan
Delaware
Delaware
Delaware
Ohio
Missouri
Indiana
New Jersey
Texas
New Jersey
Michigan
Illinois
Arizona
New York
Delaware
Oregon
Illinois
Oregon
Minnesota
Delaware

Subsidiaries and Affiliates

Vining Disposal Service, Inc.
Warner Hill Development Company
Warrick County Development Company
Wasatch Regional Landfill, Inc.
Waste Control Systems, Inc.
Waste Services of New York, Inc.
Wastehaul, Inc.
Wayne County Land Development, LLC
Wayne County Landfill IL, Inc.
Wayne Developers, LLC
WDTR, Inc.
Webster Parish Landfill, L.L.C.
West Contra Costa Energy Recovery Company
West Contra Costa Sanitary Landfill, Inc.
West County Landfill, Inc.
West County Resource Recovery, Inc.
Whispering Pines Landfill TX, LP
Willamette Resources, Inc.
Williams County Landfill Inc.
Willow Ridge Landfill, LLC
Wilshire Disposal Service
WJR Environmental, Inc.
Woodlake Sanitary Service, Inc.
Zakaroff Services

Jurisdiction of Formation

Massachusetts
Ohio
Indiana
Utah
Oregon
New York
Indiana
New York
Delaware
Georgia
Oregon
Delaware
California
California
California
California
Delaware
Oregon
Ohio
Delaware
California
Washington
Minnesota
California

**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 the 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.

/s/ James E O'Connor

James E. O'Connor

Chairman of the Board of Directors and Chief Executive Officer
(Principle Executive Officer)

Date: April 29, 2010

**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 the 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.

/s/ Tod C. Holmes

Tod C. Holmes
Executive Vice President and
Chief Financial Officer
(Principal Executive Officer)

Date: April 29, 2010

**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, 2010 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 of the Board of Directors
and Chief Executive Officer
(Principle Executive Officer)

Date: April 29, 2010

**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, 2010 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
Executive Vice President and Chief Financial Officer
(Principle Financial Officer)

Date: April 29, 2010