

AMENDMENT

**TO THE
AMENDED AND RESTATED FRANCHISE AGREEMENT AND
CONSENT TO ASSIGNMENT**

This Amendment (this “Amendment”) to that certain Amended and Restated Franchise Agreement for Solid Waste Collection, Disposal and Recycling Services (the “Franchise Agreement”), dated July 1, 2023, by and between the CITY OF SUTTER CREEK (the “City”) and ACES WASTE SERVICES, INC., a California corporation (“ACES”) is entered into as of October 1, 2024, by and among the City, ACES and DELTA CONTAINER CORPORATION, a California corporation (“Republic”). The City, ACES and Republic are hereinafter collectively referred to as the “Parties.”

WHEREAS, ACES and Republic have entered into an Asset Purchase Agreement, dated as of June 6, 2024, pursuant to which ACES has agreed to sell substantially all of its assets to Republic (the “Transaction”), including the Franchise Agreement;

WHEREAS, pursuant to Article N, ACES may not assign the Franchise Agreement without prior written approval by City Council resolution;

WHEREAS, the Parties desire to amend the Franchise Agreement on the terms and subject to the conditions set forth in this Amendment; and

WHEREAS, it is in the best interests of the Parties to enter into this Amendment.

NOW, THEREFORE, in consideration of the promises, covenants, and provisions set forth herein, the receipt and adequacy of which consideration is hereby acknowledged, the Parties agree as follows:

1. Disposal Operations. Article H, Section 7 is hereby amended and restated in its entirety as follows:

- a. All refuse collected in the area described herein by Contractor shall be disposed of at either its Pine Grove Transfer Station or Western Amador Recycling Facility (“WARF”) and ultimately deposited at any of (i) the Kiefer Landfill operated by the County of Sacramento, (ii) the Forward Landfill located at 9999 S. Austin Road, Manteca, CA 95336 (“Forward Landfill”), or (iii) at such other approved place as the parties may agree. Contractor may also direct haul refuse to the Forward Landfill without deposit at the Transfer Station or the WARF. Refuse will only be disposed of in landfill sites having all the necessary permits and approvals of any administering jurisdiction.
- b. All recyclable materials will be consolidated at its Pine Grove Transfer Station or the WARF and ultimately processed at any of (i) the Cal-Waste Recovery Systems in the City of Galt, (ii) the Watt Avenue Recycling and Material Recovery Facility located at 4741 Watt Avenue, North Highlands, CA 95660, or (iii) at such other approved recycling/processing facility.

2. Consent to Assignment. The City hereby acknowledges and consents to the assignment of the Franchise Agreement from ACES to Republic (the “Assignment”) effective as of the closing of the Transaction, and waives the right to terminate or any other rights it might have under the Franchise Agreement as a result of the Assignment.

3. Conditions to Approval. As a condition of the City’s approval of the Assignment, Delta Container, ACES and the City Agree as follows:

- a. Delta Container's Capacity. Delta Container represents and warrants that it has the requisite level capacity, as to financial competency, performance and service record and equipment inventory, to perform the obligations due under the Franchise Agreement.
- b. Delta Container's Guarantee of Performance. Delta Container represents and warrants that it has the requisite financial security, insurance and bonding capacity to guarantee its performance under the Franchise Agreement.

4. Payment of Assignment Fee. Pursuant to Article N of the Franchise Agreement, ACES shall pay the City a transfer fee in the amount of \$2,500, to cover the cost of all direct administrative expenses including consultants and attorneys necessary to adequately analyze the application and to reimburse the City for all direct and indirect expenses related to the transfer.

5. Additional Obligations. Until Closing, ACES shall continue to possess all of its right, title and interest in the Franchise Agreement and agrees to perform its obligations and liabilities under the Franchise Agreement. Upon Closing, Delta Container assumes all rights, title and interest in the Franchise Agreement and agrees to perform all obligations and liabilities due thereunder.

6. Assumption. Upon Delta Container's assumption of the Franchise Agreement, as of the Closing Date, the City hereby acknowledges and agrees that Delta Container shall replace ACES as a party to the Franchise Agreement (which shall remain in full force and effect) and releases ACES from any and all claims, damages, liabilities, duties, obligations, costs and expenses due under or in connection with the Franchise Agreement arising after the Closing Date.

7. Closing as a Condition of Assignment. If the Sale is not consummated for any reason, this Assignment will cease to have effect and the Franchise Agreement will remain in place between ACES and the City, in accordance with its terms.

8. Ratification. All provisions of the Agreement not specifically amended hereby shall remain in full force and effect, shall be unaffected by this Amendment and are incorporated herein by reference.

9. Governing Law. This Agreement shall be governed by, and interpreted and enforced under, the laws of the State of California, without giving effect to conflict of laws principles. Venue shall be as provided for in the Franchise Agreement, which provision is incorporated by reference.

10. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment may be executed by delivery of an electronic copy of an executed signature page with the same force and effect as the delivery of an originally executed signature page.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

CITY OF SUTTER CREEK,
a municipal corporation

By: _____

Name: _____
Title: _____

ACES WASTE SERVICES, INC.,
a California corporation

By: _____
Name: _____
Title: _____

DELTA CONTAINER CORPORATION,
a California corporation

By: _____
Name: _____
Title: _____