

Materials Management Services Agreement

Company: RoadRunner Recycling, Inc.

Customer: KCIA School

Location(s): 414 Wallace Ave, Kcmo, MO 64125

Effective Date: ~~XXXXXXXX~~ - April 1st, 2023 - JG

Summary of Terms

Length of Term: 36-month term commencing on the Effective Date ("Term")

Customer Savings: 18%

Company Compensation: See below, with detailed pricing as set forth in Appendix A

Scope of Services

The Company is authorized to perform the following services (the "Services"):

- Provide advisory services, education, technology and training to assist Customer in reducing waste, right-sizing dumpsters and optimizing service schedules, enhancing material recovery and recycling, promoting landfill diversion, and otherwise managing certain discarded materials, including Recyclable Material and Residual Waste, generated by Customer's operations (collectively "Materials");
- Where applicable, provide value-added, upstream material management programs and logistical support to assist Customer in sorting and managing certain Materials before they become Residual Waste requiring disposal or processing; and
- Manage Customer's relationships with applicable third-party vendors that provide services related to the collection and removal of any of Customer's Materials ("Waste Vendors").

"Recyclable Material" means certain material that may be recycled.

"Residual Waste" means certain material that is neither a Recyclable Material nor a Prohibited Material (as defined below) that requires disposal.

Company Compensation

The monthly payment by Customer to the Company (the "Customer Price") shall be calculated as follows:

Benchmark Amount minus the Customer Savings thereof, subject to an annual rate increase not to exceed 5.0% in years two and three of the Term.

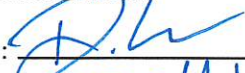
"Benchmark Amount" means the total monthly amount paid by Customer to all applicable Waste Vendors, as determined by the Company in its reasonable discretion based on the invoices and data from all such Waste Vendors, calculated in the month prior to the Effective Date (or such other time period as represents a reasonable sample set for establishing a benchmark).

The Company confirms that in conjunction with the signing of this Agreement, the Company shall cover the Customer cost for any liquidated damages and early termination fees related to an agreement with the incumbent Waste Vendors, inclusive of one-time removal charges in the event that Customer determines to liquidate such hauler agreement(s) and the Company consents to the same.


Authorization and Signature

This Materials Management Services Agreement (this "Agreement") is entered into and executed as of the Signature Date set forth below. The undersigned individual signing this Agreement on behalf of Customer acknowledges that he/she has read and understands the terms and conditions of this Agreement, including those terms on the following page(s) (which are incorporated and are an important part of this Agreement), and that he/she has authority to sign on behalf of Customer.

KCIA SCHOOL

By: 
Name: David A. Leone
Title: Superintendent
Signature Date: 1-24-23

ROADRUNNER RECYCLING, INC.

By: 
Name: Jamie Germani
Title: VP of Operations

1. Engagement.

(a) Customer hereby engages the Company to provide the Services (as defined above) and the Company hereby accepts such engagement, upon the terms and conditions set forth herein.

(b) Customer hereby authorizes the Company to take all actions on behalf of Customer that are, in the reasonable discretion of the Company, deemed to be necessary in connection with the Company's performance of the Services, including, without limitation, the negotiation, execution and amendment of agreements with third parties for the benefit of Customer related to the handling, sorting, recovery, collection and removal of Materials generated by Customer's operations and the performance of services related to the collection and removal of such Materials by Waste Vendors. Customer authorizes the Company to (i) contract or subcontract with third parties in order to perform certain of the Company's obligations under this Agreement pursuant to which the Company may realize certain earnings as a result thereof; (ii) install waste metering technology; and (iii) optimize service schedule and Equipment based on data gathered.

(c) During the term of this Agreement, Customer shall not solicit or contract with any third party for the performance of services similar to the Services. The Company shall be Customer's sole and exclusive provider of services relating to the management of its Materials.

2. Customer's Duties and Responsibilities.

(a) Customer shall provide to the Company complete and correct copies of (i) all agreements between Customer and both (A) Waste Vendors that provide services related to the collection and removal of Materials and (B) third-party vendors that provide services related to the collection and removal of any Prohibited Material and (ii) all invoices, purchase orders and other correspondence with Waste Vendors.

(b) Customer shall provide to each Waste Vendor a letter in the form provided by the Company instructing the Waste Vendor to provide all billing and other correspondence directly to the Company and notifying the Waste Vendor that the Company is authorized to act on behalf of Customer. As of the Signature Date, Customer shall notify the Company of any past due payments owed to any Waste Vendor or any payment dispute with any Waste Vendor.

(c) Customer shall implement and use its best efforts to cause its personnel to abide by any practices or programs recommended by the Company with respect to the Services and the collection and removal of Materials.

(d) Customer shall not damage, misuse, or overload any Equipment (as defined below) or place into any Equipment any flammable, volatile, corrosive, toxic, radioactive, biohazardous, biological, medical, infectious, explosive or hazardous waste, material, contaminant or substance, as defined by, characterized or listed under applicable federal, state, or local laws or regulations (each a "Prohibited Material"). Any such damage, misuse or overloading of Equipment may be subject to additional charges and costs to Customer.

(e) Customer shall grant the Company, its agents, subcontractors, and Waste Vendors access to Customer's facilities and the Equipment as necessary for the Company or its designated subcontractors to perform the Services and to allow Waste Vendors to collect Materials.

(f) Customer shall cooperate with the Company and take all actions reasonably requested by the Company, including execution of any documents reasonably requested by the Company, as necessary to allow the Company to perform the Services including the potential replacement of Waste Vendors.

3. Compensation and Payment.

(a) In consideration for the Company's performance of the Services, Customer shall pay to the Company on a monthly basis an amount determined in accordance with the Company Compensation terms set forth on the first page of this Agreement. The Company shall have the right to determine the receiving facilities or end purchasers for any Materials managed under this Agreement.

(b) The Company shall invoice Customer each calendar month for the Customer Price due for the Services to be performed during that calendar month. Customer shall pay the full amount of each invoice within fifteen (30) days following the date of invoice. Any overdue invoice may be subject to a late fee up to the maximum amount allowed by applicable law.

(c) Notwithstanding anything to the contrary herein, the Company and Customer hereby acknowledge and agree that the Benchmark Amount, Customer Price, and Customer Savings may increase or decrease, during the Term, due to adjustments for (i) any errors, corrections, and variations in information, discovered after the Benchmark Amount has been established, which Company shall communicate to Customer with reasonable notice; (ii) changes in service levels or locations, to the extent mutually agreed upon in writing by the Company and Customer; and (iii) non-contractual rate increases of Waste Vendors and/or other adjustments not within the Company's control, which the Company shall communicate to Customer with reasonable notice.

(d) Customer will be responsible for paying any and all taxes, levies, duties, or similar governmental assessments of any nature, including, for example, value-added, sales or use taxes, assessable by any jurisdiction associated with the services contemplated hereby, except for those taxes based on the Company's net income. Notwithstanding the foregoing, the Company may, in its sole discretion, exclude sales and use taxes solely from its calculations of the Customer Price and the Benchmark Amount in jurisdictions where the Company collects and remits such taxes; provided that (i) such exclusion shall be applied uniformly to both the Benchmark Amount and the Customer Price in such instances, and (ii) Customer will still be billed for the payment of sales and use taxes via the Company's invoices, unless otherwise exempted pursuant to applicable law.

(e) In the event Customer opts to make payment to the Company through ACH, Customer authorizes the Company to withdraw amounts due from Customer's account, including recurring withdrawals in the event Customer opts into the Company's auto-pay program. Customer may revoke authorization for recurring credit card or ACH withdrawals by notifying the Company three (3) business days prior to the next invoice due date.

4. Representations and Warranties.

(a) Each of the parties represents and warrants that it is authorized to enter into this Agreement, that this Agreement is a valid and binding obligation of such party and that the execution and delivery of this Agreement by such party, and the performance of its obligations hereunder, does not violate any other agreement binding upon such party, including, with respect to Customer, any agreement with any Waste Vendor.

(b) The Company represents and warrants that the Services will be performed in a professional and workmanlike manner.

(c) Customer represents, warrants and covenants that (i) no Prohibited Materials have been or will be included in Materials, (ii) all amounts owed to each Waste Vendor as of the Effective Date have been paid timely and in full and (iii) neither Customer nor any Waste Vendor has breached any agreement between Customer and such Waste Vendor.

(d) EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND ALL REPRESENTATIONS AND WARRANTIES NOT EXPRESSLY STATED IN THIS AGREEMENT ARE HEREBY DISCLAIMED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

5. Confidentiality.

(a) For purposes of this Agreement, "Confidential Information" means any confidential or proprietary information that is related to either party's business, technology, products, services, customers, finances or strategic or marketing plans, trade secret or practice or that would be understood by a reasonable person to be confidential given the nature of the information or the circumstances of its disclosure, in each case, irrespective of whether the disclosing party identifies such information as confidential prior to disclosure. Confidential Information does not include any information that is (i) legally in the public domain through no fault of the receiving party, (ii) in the possession of the receiving party at the time of disclosure, as evidenced by written records of the disclosing party or (iii) received from a third party who has the right to disclose such information without restriction on its disclosure or use.

(b) Neither party shall (i) disseminate or disclose any Confidential Information received from the other party to any third party or (ii) use any Confidential Information received from the other party for any purpose except in connection with its obligations under this Agreement. Each party shall treat all Confidential Information received from the other party with the same degree of care as such party accords to its own Confidential Information, but in any event not less than reasonable care.

6. Equipment. Customer shall be responsible for the cleanliness and safekeeping of any containers, receptacles, bins, waste metering sensors or other equipment provided to Customer (i) by the Company and (ii) by Waste Vendors ("Equipment"). Title to any Equipment provided by the Company shall remain with the Company; provided, however, Customer shall have care, custody and control of all Equipment and shall bear responsibility and liability for all loss or damage to Equipment and for its contents while at Customer's facilities. Customer shall use Equipment only for its intended purpose. Customer shall return all applicable Equipment to the Company upon the Company's request or upon termination or expiration of this Agreement in substantially the same condition in which it was received with the exception of normal wear and tear. Customer shall be responsible for the expenses associated with the delivery, installation and removal of Equipment, including in connection with the swap, change or replacement of any Waste Vendors, except as otherwise set forth on the signature page hereof.

7. Term and Termination.

(a) The Company shall provide the Services for the Term commencing on the Effective Date and continuing for a period of three (3) years. Upon expiration of the initial Term, this Agreement will automatically renew on a month - to - month basis, unless and until either party delivers written notice to the other party that it does not wish to renew the Agreement no less than sixty (60) days prior to the expiration of the initial Term or the then-current renewal term.

(b) Either party may terminate this Agreement in the event of a material breach by the other party that is not cured within thirty (30) days following the non-breaching party's delivery of written notice of such breach.

(c) Customer may terminate the Services at any particular Customer location if such location is no longer occupied by Customer or its affiliates or successors in interest by providing the Company with forty-five (45) days' prior written notice signed by the Customer.

(d) The Company may terminate this Agreement in the event the Company determines in its sole discretion within thirty (30) days of the Effective Date that the Customer Savings percentage set forth on the first page of this Agreement is not attainable.

(e) In the event that either party files for protection under bankruptcy laws, makes an assignment for the benefit of creditors, appoints or suffers appointment of a receiver or trustee over its property, files a petition under any bankruptcy or similar law or has any such petition filed against it which is not discharged within thirty (30) days of such filing, then the other party may terminate this Agreement effective immediately upon written notice to such party.

8. Liquidated Damages and Attorneys' Fees. Upon termination or expiration of this Agreement, (i) Customer shall pay the Company for the Services performed under this Agreement through the date of termination or expiration and (ii) the Company shall have no further responsibility or liability for payment obligations to Waste Vendors. If Customer terminates this Agreement (other than in accordance with Section 7 above) or breaches the terms of Section 9 below, Customer shall also (A) provide the Company with thirty (30) days' written notice and (B) in addition to payment of any other fees owed to the Company by Customer pursuant to the terms of this Agreement, pay to the Company, as an early cancellation fee and not as a penalty, an amount equal to the Customer Price (as of the date of termination) multiplied by the lesser of (i) six (6) months or (ii) the number of months remaining in the Term. Customer acknowledges that the actual damages the Company will suffer in the event of termination are difficult to fix or prove, and the foregoing liquidated damages amount is reasonable and commensurate with the anticipated loss of the Company. Sections 5, 6, 8, 9, 10 and 11 shall survive any termination or expiration of this Agreement. In the event Customer fails to pay the Company all amounts which become due under this Agreement (including, but not limited to, any early cancellation fees, late fees and interest assessed thereon), or fails to perform its obligations hereunder, and the Company refers such matter to an attorney, Customer agrees to pay, in addition to all past due sums, any and all costs incurred by the Company as a result of such action, including, to the extent permitted by law, reasonable attorneys' fees.

9. Non-Circumvention. Customer shall not take any action to circumvent or frustrate the intended purposes of this Agreement. Following the Signature Date (defined as the date on which Customer signs this Agreement as reflected in the Authorization and Signature section on the first page), Customer shall not, without the Company's prior consent, contract directly with Waste Vendors, or take any actions (including termination of this Agreement) that circumvent the Company's right to any Company Compensation that would have otherwise been realized from the Company's performance of the Services hereunder.

10. Disclaimer of Consequential Damages; Limitation of Liability, Title and Indemnification.

(a) IN NO EVENT WILL THE COMPANY BE LIABLE FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOST SAVINGS OR LOST BUSINESS, EVEN IF THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL THE COMPANY'S AGGREGATE LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND THE PROVISION OF THE SERVICES, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER TO THE COMPANY PURSUANT TO THIS AGREEMENT IN THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM. CUSTOMER ACKNOWLEDGES AND AGREES THAT THE FEES PAYABLE UNDER THIS AGREEMENT REFLECT THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT.

(b) Customer retains title to and responsibility for Materials until Materials are loaded into the truck of a Waste Vendor or, if applicable, the Company (or an agent thereof) at which time the title and responsibility for such Materials transfers to the applicable Waste Vendor or the Company, respectively. Title to and liability for any Prohibited Material shall remain with Customer at all times. Except as indicated in the first sentence of this Section 10(b), the Company shall not be considered the owner or hauler of Materials. The Company shall not at any time be considered a generator or bailee of Materials. The Company shall have no liability for (i) the Residual Waste including, but not limited to, any damages resulting from the disposal of the Residual Waste or (ii) any occurrences involving a Prohibited Material.

(c) Customer agrees to indemnify, defend and hold the Company and its directors, officers, employees, stockholders, subsidiaries and affiliates harmless from any and all losses, damages, expenses (including reasonable attorneys' fees), claims, penalties, fines, violations of law or actions to the extent caused by or resulting from (i) Customer's use, operation or possession of Equipment or (ii) any Prohibited Material including its deposit in a truck or in Equipment.

11. Dispute Resolution and Class Action Waiver. The parties agree that any dispute, claim or controversy arising out of or relating to this Agreement or the Services (collectively, "Disputes") will be settled by binding arbitration between Customer and the Company, except that each party retains the right to bring an individual action in small claims court. **CUSTOMER ACKNOWLEDGES AND AGREES THAT CUSTOMER IS WAIVING THE RIGHT TO A TRIAL IN COURT BY A JUDGE OR JURY AND TO PARTICIPATE AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS ACTION OR REPRESENTATIVE PROCEEDING.** Further, unless both Customer and the Company otherwise agree in writing, the arbitrator may not consolidate more than one person's claims and may not otherwise preside over any form of any class or representative proceeding. The arbitration will be administered in Wilmington, Delaware and according to the rules of the American Arbitration Association (the "AAA") by one arbitrator. Anyone who desires to initiate arbitration must provide the other party with a written Demand for Arbitration as specified in the AAA rules. The arbitrator will either be a retired judge or an attorney licensed to practice law in the State of Delaware and will be selected by the mutual agreement of the parties from the AAA's roster of dispute arbitrators. If the parties are unable to agree upon an arbitrator within seven (7) days of the delivery of the Demand for Arbitration, then the AAA will appoint the arbitrator in accordance with the AAA rules. All rulings from the AAA will be conclusive and binding upon the parties. A demand for arbitration shall be made within a reasonable time after the unsuccessful completion or any informal process, but in no event shall be made after the date when institution of legal or equitable proceedings based on such Disputes in question would be barred by the applicable statute of limitations.

12. Force Majeure. The Company shall not be liable or responsible to Customer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of such party including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, pandemic, quarantine, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce) or telecommunication breakdown or power outage.

13. Use of Customer Logo and Customer Name. Customer provides the Company with the ability to use Customer's logo and name on the Company's website and marketing materials. Customer may revoke this permission at any time by notifying the Company in writing.

14. General Provisions.

(a) Successors and Assigns. This Agreement will be for the benefit of and will be binding upon, the parties' respective successors and assigns and may be assigned without the consent of Customer to any affiliate of the Company, or in connection with the sale, transfer or other assignment of all or part of the capital stock or assets of, or the merger of, the Company. This Agreement may not be assigned by Customer without the prior written consent of the Company.

(b) Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (i) by email transmission upon acknowledgment of receipt of electronic transmission; or (ii) by overnight courier or by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth on the signature page hereto or to such other address as either party may provide in writing.

(c) Governing Law. This Agreement shall be governed in all respects by the laws of the State of Delaware.

(d) Severability. If a court of law holds any provision of this Agreement to be illegal, invalid or unenforceable, that provision shall be deemed amended to achieve an economic effect that is as near as possible to that provided by the original provision and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

(e) Waiver; Modification. No waiver of any term, provision or breach of this Agreement shall be effective unless it is in writing. No waiver by a party of a breach of this Agreement shall constitute a waiver of any other or subsequent breach. Except as otherwise stated in this Agreement, this Agreement may be modified only by mutual written agreement of the parties.

(f) Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or contemporaneous agreements concerning such subject matter, written or oral. This Agreement may be executed in two or more counterparts (including by electronic transmission), all of which, when taken together, shall constitute one and the same Agreement.

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New Integrations**Fixed Cost-Based Services (rates include all fees)**

| Address | Service (Quantity - Size - Frequency - Stream - System) | Benchmark Amount Per Month | Customer Price Per Month |
|-----------------|---|----------------------------|--------------------------|
| 414 Wallace Ave | 1 - 8YD - 5/week - MSW - Front Load | \$1,199.14 | \$983.29 |
| 414 Wallace Ave | 1 - 8YD - 2/week - SSRY - Front Load | \$328.46 | \$269.34 |

Currently Integrated with RoadRunner*Not Applicable*

"Fixed Cost-Based Services" refers to those regularly recurring services for which Customer Price is calculated as a fixed amount on a monthly basis as applicable and adjusted in accordance with the terms herein.

"Rate-Based Services" refers to those services, for which Customer Price shall be calculated by usage (haul, tonnage, etc), as applicable and adjusted pursuant to the terms herein.

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