Leo Dickson & Sons, Inc.
5151 Bonny Hill Road
Bath, NY 14810

October 14, 2022

Dear Kim Merchant,

We thank you for reviewing the application for permit transfer. Per your request for additional updated information due to the changes at the facility that include the termination of the CAFO Permit. Please accept the following in support of our application for permit transfer from Leo Dickson & Sons, Inc to Casella.

1. Provide proof of ownership of the facility. Please provide other legal agreements, such as leases, related to operation of the facility.
   Proof of Ownership via (redacted) purchase and sale agreement between Casella Resource Solutions and Dickson's Environmental Services, Inc. (Appendix A)

2. Provide written permission from the owners of the land on which the facility is located on, issued to the new owner. This includes all permitted spreading fields that the new owner will be using. If there is not an agreement in place, the Department will need to remove the fields from the permit.
   Redacted Lease Agreements and Land Use Agreements. Please note that Rodney Estes and Steve Makitra property will no longer be included in the permit. (Appendix B)

3. The facility manual must be updated to reflect the facility's operations. Please note, no additional spreading fields or storage areas may be added to the permit at this time. To add additional spreading field acreage or storage areas, a major permit modification will be required.
   Casella has developed the attached Facility Operations and Management Plan, to guide operations at Bonny Hill Organics facility. (Appendix C)

4. Provide an updated demonstration that the facility will be capable of compliance with all applicable requirements of the ECL, 6 NYCRR Part 360 and 361, and with all permit conditions. Include a description of how compliance with the requirements and conditions will be ensured. If upgrades to the facility are required for compliance, submit a list of upgrades with their implementation schedule.
   Casella's Facility Operations and Management Plan provides evidence of Casella's ability to maintain compliance with all applicable requirements of the ECL, 6 NYCRR Part 360 and 361, and with all permit conditions. Several upgrades at the facility are scheduled and currently undergoing, however the purpose is for structural, and safety related needs. (Appendix C)

5. Financial assurance must be submitted for the storage portions of the facility.
   Attached is a contingency and closure plan in which Casella has estimated the cost of maintaining and closing of liquid storage. With the departments approval and agreement with the amounts in the plan a bond will be issued to NYS DEC. (Appendix D)
6. Please note, per Part 621.11(c)(6) *Any noncompliance by the existing permittee, associated with the permits proposed to be transferred, must be resolved to the department's satisfaction.* There is at least one issue outstanding which must be resolved.
   All *noncompliance issues by the existing permittee, associated with the permits proposed to be transferred, have been resolved to the department's satisfaction.*

7. Please confirm that Leo Dickson and Sons, Inc. has completed all land spreading of both biosolids and manure.
   All Land spreading of manure and biosolids is complete by the existing permitee, the site currently has no biosolids or manure stored on site; please reference inspection completed by Jason Boliver and Mackenzie Osypian on Friday, September 30, 2022. (Appendix E)

Leo Dickson & Sons, Inc is excited for the opportunity to transfer the permit to Casella. We are hopeful the transfer of the permit will be a speedy process and once that is complete Casella can collaborate with NYS DEC DMM Region 8 to put together the needed modifications of their permit.

Casella is excited for the opportunity to expand their organics-based recycling programs, in Western New York, via the acquired assets from Dickson Environmental Services, and the permit transfer from Leo Dickson & Sons. Inc.

Respectfully Submitted,

Brett M Dickson
Leo Dickson & Sons, Inc.

Appendix A.

ASSET PURCHASE AND SALE AGREEMENT

by and between

DICKSON'S ENVIRONMENTAL SERVICES, INC., and LEO DICKSON & SONS, INC., collectively as Seller

and

NEW ENGLAND WASTE SERVICES OF ME, INC., d/b/a CASELLA ORGANICS, as Buyer

CONFIDENTIAL BUSINESS INFORMATION

Dated as of May 27, 2022

ASSET PURCHASE AND SALE AGREEMENT

This **ASSET PURCHASE AND SALE AGREEMENT** (this "Agreement") is entered into as of the 27th day of May, 2022, by and between **DICKSON'S ENVIRONMENTAL SERVICES, INC.**, a New York corporation with a principal place of business located at 5226 Bonnie Hill Road, Bath, New York 14810, and **LEO DICKSON & SONS, INC.**, a New York corporation with a principal place of business located at 5226 Bonnie Hill Road, Bath, New York 14810 (hereinafter collectively and individually referred to as the "Seller"), and **NEW ENGLAND WASTE SERVICES OF ME, INC., d/b/a CASELLA ORGANICS**, a Maine corporation with a principal place of business located at 25 Greens Hill Lane, Rutland, Vermont 05701 ("Buyer") (Seller and Buyer are hereinafter referred to individually as a "Party" and collectively as the "Parties").

WITNESSETH

WHEREAS, Seller owns and operates a biosolids, food waste and manure management business (the "Business"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, all or substantially all of the assets of the Business (excluding all Excluded Assets), all on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I
PURCHASE AND SALE OF THE BUSINESS

1.1 Purchase and Sale of Assets. At Closing, and subject to the terms and conditions set forth herein, Seller shall sell, convey, assign, transfer and deliver to the Buyer, and the Buyer shall purchase, acquire and accept from the Seller, all of the Seller's right, title and interest in, to and under the Acquired Assets, free and clear of any Liens. For purposes of this Agreement, the term "Acquired Assets" shall mean all of the assets, rights and properties of Seller related in any way to the Business, excluding all Excluded Assets, existing as of the date hereof and as of the Closing Date, including, without limitation:

(a) all of Seller's right, title and interest in and to that certain real property, and the improvements located thereon, situated in the Town of Thurston, County of Steuben, State of New York, as more particularly described in Schedules 1.1(a) (the "Acquired Real Property");

(b) all of Seller's right, title and interest in and to any and all machinery, equipment, tools and tooling, vehicles, containers, recycle processing equipment, forklifts, skidsteers, spare parts, computers, furniture, fixtures, supplies, leasehold improvements

and any other tangible assets used or held for use by Seller in connection with the Business, including those items set forth on Schedule 1.1(b) (referred to herein as the "Equipment");

(c) all of Seller's right, title and interest in and to any and all customers of the Business, including all customers identified on Schedule 1.1(c) ("Customers"), and all related customer accounts, customer Contracts, mailing lists and other intangible property related in any way to such customers;

(d) all of Seller's right, title and interest in and to any and all Contracts used or held for use by Seller in connection with the Business, including the Contracts set forth on Schedule 1.1(d) (collectively, the "Assumed Contracts");

(e) all of Seller's right, title and interest in and to any and all Permits required for the operation of the Business, including those Permits set forth on Schedule 1.1(e) (collectively, the "Acquired Permits");

(f) all of Seller's right, title and interest in and to any and all Intellectual Property used or held for use by Seller in connection with the Business, including the items set forth on Schedule 1.1(f) (collectively, the "Acquired Intellectual Property");

(g) all of Seller's Books and Records related to the Business;

(h) all goodwill associated with the Acquired Assets; and

(i) all other assets, rights and properties of Seller related to the Business.

1.2 Excluded Assets. Notwithstanding anything to the contrary herein, the Acquired Assets shall not include any of the Excluded Assets. For purposes of this Agreement, the term "Excluded Assets" shall mean the following assets, rights and properties of the Seller:

(a) all trade and other accounts receivable and notes and loans receivable that are payable to Seller to the extent any of the foregoing accrued during or otherwise relate to periods prior to the Closing Date;

(b) all refunds, rebates, discounts, security deposits, prepayments, prepaid expenses and performance and other bonds to the extent the same accrued during or otherwise relate to periods prior to the Closing Date;

(c) all cash, short-term investments, deposits, bank accounts, and other cash equivalents, in each case as of the Closing Date, unless the same were collected from accounts that relate to periods on or after the Closing Date;

(d) all securities;

(e) the Charter Documents, qualifications to conduct business as a foreign entity, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books and other documents relating to the organization and existence of Seller;

(f) all Tax refunds and Tax deposits of Seller attributable to any Pre-Closing Tax Period and all Tax books and records of Seller;

(g) all rights of Seller in and with respect to the assets associated with Seller Benefit Arrangement;

(h) any of the rights of Seller under the Excluded Contracts;

(i) all personnel records;

(j) all Insurance Policies;

(k) all transportation and land application assets that may have been used in the operation of the Business, as set forth on Schedule 1.2(k); and

(l) those assets listed on Schedule 1.2(l).

1.3 Assumption of Liabilities. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, the Buyer shall assume and agree to perform, pay, satisfy or discharge when due, the Assumed Liabilities. For purposes of this Agreement, the term "Assumed Liabilities" shall mean all liabilities and obligations of the Seller arising after the Closing under the Assumed Contracts or Acquired Permits, other than any liability in respect of (a) a breach of an Assumed Contract or Acquired Permit prior to or at the Closing or by Seller or (b) an obligation arising out of any act or omission of Seller or any other Person.

1.4 Retained Liabilities. Notwithstanding anything to the contrary in this Agreement, the Assumed Liabilities shall not include any of the Retained Liabilities, and the Buyer does not hereby and shall not assume or in any way undertake to perform, pay, satisfy or discharge the Retained Liabilities. For purposes of this Agreement, the term "Retained Liabilities" shall mean all liabilities and obligations of Seller other than the Assumed Liabilities, which, for the avoidance of doubt, shall include Seller Indebtedness, Transaction Costs and Seller Employee Indebtedness.

1.5 Purchase Price. As consideration for the Acquired Assets, in addition to assuming the Assumed Liabilities, subject to Section 1.7(c)(i) and the other terms and conditions of this Agreement, Buyer shall pay to the Seller as consideration for the acquisition of the Acquired Assets the sum of [redacted] subject to adjustment permitted herein (as adjusted, the "Purchase Price"). All payments of the Purchase Price shall be made by wire transfer to an account or accounts designated by Seller before Closing for such purposes or as otherwise mutually agreed to by the Parties.

(a) The following adjustments shall be made to the Purchase Price:

(i) At Closing, or as a charge to Seller in the Post Closing Statement, Seller shall credit against the Purchase Price an amount equal to accounts pre-paid by Seller's customers prior to the Closing for services not yet performed (the "Advanced Billing Amounts").

1.6 Pre-Closing. No less than three (3) Business Days prior to the Closing Date, the Seller shall deliver to the Buyer the following:

(a) pay-off letters duly executed by each Person to whom any Seller Indebtedness, whether or not due, is owed by Seller, including wire transfer instructions for the payment of such Seller Indebtedness to each such Person and a complete release of the Acquired Assets from all Liens, liabilities and other obligations with respect to such Seller Indebtedness, effective upon the discharge of such Seller Indebtedness at the Closing;

(b) wire transfer instructions for the payment and satisfaction of all Transaction Costs owed by Seller to any Person;

(c) wire transfer instructions for the payment and satisfaction of all Seller Employee Indebtedness that is, or upon consummation of the Closing will become, due and payable by Seller;

(d) wire transfer instructions for payment of the Closing Consideration to the Seller; and

(e) a certificate duly executed by an authorized Person for Seller certifying that attached thereto is a true, correct and complete schedule listing, by obligee, of all Seller Indebtedness, all unpaid Transaction Costs and all Seller Employee Indebtedness, in each case as of immediately prior to the Closing.

1.7 Closing; Closing Deliveries.

(a) Closing. Subject to the terms and conditions of this Agreement, the closing of the transactions contemplated hereby (the "Closing") shall take place at 10:00 a.m., Eastern time, on June 10, 2022 (the "Closing Date"), or on a date which shall be no later than the fifth (5th) Business Day after satisfaction or waiver of the conditions set forth in Article VI (other than delivery of items to be delivered at the Closing and other than satisfaction of those conditions that by their nature are to be satisfied at the Closing, it being understood that the occurrence of the Closing shall remain subject to the delivery of such items and the satisfaction or waiver of such conditions at the Closing), by remote exchange of electronic signatures and documents at the offices of The West Firm, PLLC, Peter Kiernan Plaza, 575 Broadway, 2nd Floor, Albany, New York 12207, unless another date, place or time is agreed to by the Parties.

(b) Deliveries by the Seller. Upon the terms and subject to the conditions contained herein, at the Closing, Seller shall deliver (or cause to be delivered) to Buyer:

(i) Conveyance Documents.

(A) a warranty deed, in proper statutory form for recording, duly executed by Seller and acknowledged, conveying to Buyer fee simple title to the Acquired Real Property, free and clear of all Liens, in the form attached hereto as Exhibit A (the "Deed");

(B) a bill(s) of sale, duly executed by the Seller, conveying to Buyer absolute title to the Equipment and other Acquired Assets constituting tangible personal property, free and clear of all Liens, in the form attached hereto as Exhibit B (the "Bill of Sale");

(C) an assignment and assumption agreement, duly executed by the Seller, conveying to Buyer all of Seller's right, title and interest, in and to the Customers, Assumed Contracts, Acquired Intellectual Property, Acquired Permits and other Acquired Assets constituting intangible personal property, in the form attached hereto as Exhibit C (the "Assignment and Assumption Agreement"); and

(D) certificates of title for all Acquired Assets consisting of certificated equipment, completed and duly executed by Seller on the back, as required to transfer to Buyer title to such equipment, together with a letter agreement granting to Buyer sufficient time after Closing to re-title and re-register such equipment, in substantially in the form attached hereto as Exhibit D (the "Post-Closing Lease"); and

(E) such other instruments of transfer, conveyance and assignment as the Buyer may reasonably request in order to effect the sale, transfer, conveyance and assignment to the Buyer of all right, title and interest in and to the Acquired Assets, free and clear of all Liens (the "Additional Transfer Documents"), duly executed by the Seller;

(ii) Lien Releases. Duly executed written instruments releasing or discharging any Lien on any Acquired Asset and authorizing the filing of UCC-3 termination statements (or other comparable documents) for all UCC-1 financing statements (or other comparable documents) filed in connection with any such Lien;

(iii) Required Consents. Evidence that all the consents set forth in Schedule 1.7(b)(iii) (the "Required Consents") have been obtained or made, as applicable;

(iv) Seller Officers' Certificates. Certificates executed by an authorized Person for Seller providing the certifications required by Sections 6.2(a) and (b);

(v) Seller Secretary's Certificate. Certificates executed by an authorized Person for Seller providing the certifications required by Section 6.2(e);

(vi) Good Standing Certificates. Certificates issued by an appropriate authority of the jurisdiction of organization of Seller and each other jurisdiction in which Seller is qualified to do business, certifying as of a date no more than five (5) Business Days prior to the Closing Date that Seller is in good standing under the Laws of such jurisdiction;

(vii) FIRPTA Certificates. A certificate, in form and substance reasonably satisfactory to the Buyer, duly executed by Seller, certifying that Seller

is not a foreign person in accordance with the Treasury Regulations under Section 1445 of the Code; provided that if the Buyer does not receive the certification described above on or before the Closing Date, the Buyer shall be permitted to withhold from the payments to be made pursuant to this Agreement any required withholding Tax under Section 1445 of the Code;

(viii) Non-Compete/Non-Solicitation Agreements. An agreement(s), in the form attached hereto as Exhibit E ("Restrictive Covenants Agreement"), duly executed by Seller, and each principal of Seller, providing to Buyer from Seller and each such principal the protections afforded Buyer under Sections 5.2 and 5.6;

(ix) DES Lease. The DES Lease, duly executed by the DES Affiliated Landowners, as more particularly contemplated in Section 5.15;

(x) DES Subcontracts. The DES Subcontracts, duly executed by Seller, as more particularly contemplated in Section 5.16;

(xi) Barn Lease. The Barn Lease, duly executed by Seller, as more particularly contemplated in Section 5.17;

(xii) Right of First Option. The Right of First Option, duly executed by Seller, as more particularly contemplated in Section 5.18;

(xiii) Books and Records. To the extent existing in physical form and in the possession of the Seller, the Books and Records related to the Business; and

(xiv) Other Documents. All other consents, certificates, documents, instruments and other items required to be delivered by Seller pursuant to this Agreement or any of the Ancillary Agreements or that are reasonably necessary to give effect to the transactions contemplated hereby or to vest in Buyer good and valid title in and to the Acquired Assets, free and clear of all Liens.

(c) Deliveries by the Buyer. Upon the terms and subject to the conditions contained herein, at the Closing, Buyer shall deliver to the Seller the following:

(i) Purchase Price. The Purchase Price shall be delivered as follows:

(A) Within three (3) business days of full execution of this Agreement, the Buyer shall pay to Seller's counsel, Jeffrey E. Squires, Esq., as escrow agent (the "Escrow Agent"), a deposit to be held in accordance with the terms and conditions hereof in the amount of [redacted] (the "Deposit");

(B) At the Closing, the Buyer shall withhold from the Purchase Price and pay on behalf of the Seller directly to the holders of all Seller Indebtedness then outstanding, all sums necessary and sufficient to fully

pay, discharge and satisfy the Seller Indebtedness in accordance with the pay-off letters delivered pursuant to Section 1.6(a);

(C) At the Closing, the Buyer shall withhold from the Purchase Price and pay on behalf of the Seller directly to each Person to whom any Transaction Costs are owed, all sums necessary and sufficient to fully pay, discharge and satisfy all then unpaid Transaction Costs in accordance with the wire transfer instructions delivered pursuant to Section 1.6(b);

(D) At the Closing, the Buyer shall withhold from the Purchase Price and pay on behalf of the Seller directly to each Person to whom Seller Employee Indebtedness is owed, all sums necessary and sufficient to fully pay, discharge and satisfy all Seller Employee Indebtedness to the extent due and payable at the Closing in accordance with the wire transfer instructions delivered pursuant to Section 1.6(c);

(E) At the Closing, the Buyer shall withhold from the Purchase Price the sum [redacted] (the "Holdback Amount") as a non-exclusive source of funds to ensure performance by Seller of certain obligations due under this Agreement, as more particularly set forth in Section 1.8, which shall be disbursed in accordance with Section 1.8;

(F) At the Closing, the Buyer shall pay to the Seller, by wire transfer of immediately available funds, in accordance with the wire transfer instructions delivered pursuant to Section 1.6, an aggregate sum equal to the Purchase Price, less the sum of (1) the Deposit, (2) the amount of all Seller Indebtedness paid pursuant to this Section 1.7(c)(i)(B), (3) the amount of all Transaction Costs paid pursuant to this Section 1.7(c)(i)(C), (4) the amount of all Seller Employee Indebtedness paid pursuant to this Section 1.7(c)(i)(D), and (5) the Holdback Amount (the "Closing Consideration").

(ii) Other Documents. All consents, certificates, documents, instruments and other items required to be delivered by Buyer pursuant to this Agreement or any of the Ancillary Agreements or that are reasonably necessary to give effect to the transactions contemplated hereby or to vest in Buyer good and valid title in and to the Acquired Assets, free and clear of all Liens.

(d) Escrow Agent.

(i) The Escrow Agent shall hold and apply the Deposit in accordance with the terms and conditions set forth in this Agreement.

(ii) The Escrow Agent shall hold the Deposit for Seller's account in escrow in a segregated escrow or IOLA bank account and shall pay over or apply the Deposit in accordance with the terms and conditions hereof. At Closing, the Deposit, plus any interest earned thereon, shall be paid to Seller and credited against the Purchase Price. If, for any reason, Closing does not occur and either Party gives

notice to the Escrow Agent demanding payment of the Deposit (plus any interest earned thereon), the Escrow Agent shall give prompt notice to the other Party of such notice and demand. If the Escrow Agent does not receive notice of objection from such other Party to the proposed payment within ten (10) business days after the giving of such notice, the Escrow Agent is hereby authorized and directed to make such payment. If the Escrow Agent does receive a notice of objection within such ten (10) business day period or, if for any other reason, the Escrow Agent in good faith shall elect not to make such payment, the Escrow Agent shall continue to hold such amount until otherwise directed by joint notice from the Parties or by a final, non-appealable judgment, order or decree of a court of competent jurisdiction. However, the Escrow Agent shall have the right at any time to deposit the Deposit, plus any interest earned thereon, with the clerk of the New York Supreme Court in Steuben County, New York, and shall give notice of such deposit to the Parties. Upon such deposit or other disbursement in accordance with the terms hereof, the Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder.

(iii) The Parties acknowledge and agree that, although the Escrow Agent is holding the Deposit for Seller's account, for all other purposes, the Escrow Agent is acting solely as a stakeholder at the Parties' request and for the Parties' convenience and that the Escrow Agent shall not be liable to either Party for any act or omission on its part unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of the Escrow Agent. Accordingly, Seller and Buyer, jointly and severally, agree to defend, indemnify and hold Escrow Agent, and its principals, directors, managers, officers, affiliates, employees, attorneys, agents and representatives and successors and assigns, harmless from and against any and all Damages incurred by Escrow Agent in the performance of Escrow Agent's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of Escrow Agent. The Escrow Agent may act or refrain from acting in respect of any matter referred to herein in full reliance upon and with the advice of counsel which may be selected by it (including, to the extent the Escrow Agent is a law firm or an attorney, any member of its firm) and shall be fully protected in so acting or in refraining from acting upon the advice of such counsel.

(iv) The Escrow Agent acknowledges its agreement to the provisions of this paragraph by signing in the place indicated on the signature page of this Agreement.

(v) This Section shall survive the Closing or termination of this Agreement.

1.8 Post-Closing Adjustment.

(a) As promptly as practicable, but in no event later than thirty (30) days following completion of the period of one hundred and twenty (120) days following the

Closing Date (the "True-Up Period"), Buyer will deliver to Seller a statement ("Post-Closing Statement") in good faith identifying any Advanced Billing Amounts, any Post-Closing Obligation Costs and any other sum that may be due to Buyer from Seller under this Agreement, including, without limitation, any Retained Liabilities then paid or required to be paid by Buyer (collectively, the "Outstanding Payables"). Buyer will in good faith cooperate with Seller to provide it with the information used in preparing the Post-Closing Statement as may be reasonably requested by Seller. The Post-Closing Statement will be deemed to be and will be final, binding and conclusive on the Parties for all purposes hereunder upon the earlier of (the "Final Resolution Date"): (A) delivery of a written notice to Buyer of Seller's approval of the Post-Closing Statement, (B) the failure of the Seller to notify the Buyer in writing of a dispute with the Post-Closing Statement within ten (10) Business Days of the delivery thereof to the Seller, (C) the resolution of all disputes, pursuant to Section 1.8(b), by the Buyer and the Seller, and (D) the resolution of all disputes, pursuant to Section 1.8(b), by the Independent Accounting Firm.

(b) Seller may dispute any item set forth on the Post-Closing Statement by delivery of a written notice to Buyer (the "Notice of Disagreement") within ten (10) Business Days of the receipt by the Seller of the Post-Closing Statement, describing in reasonable detail the nature and amount of any disputed items. During the twenty (20) Business Day period following the delivery of a Notice of Disagreement, the Parties will attempt in good faith to resolve in writing any differences that they may have with respect to the items and amounts specified therein, and any resolution by them set forth in writing as to any disputed items and amounts will be final, binding and conclusive on the Parties. If Buyer and Seller have not resolved all such disputed items and amounts specified in the Notice of Disagreement by the end of such twenty (20) Business Day period, Seller, on the one hand, and Buyer, on the other hand, will in good faith submit in writing their respective determinations and calculations and the items and amounts remaining in dispute for resolution to an independent accounting firm of national reputation mutually acceptable to Seller and Buyer (the "Independent Accounting Firm"), and the Independent Accounting Firm will in good faith, acting as expert and not arbitrator, make a written determination as to each such disputed item and the amounts. The Independent Accounting Firm will be authorized to resolve only those items remaining in dispute between the Parties in accordance with the provisions of this Section 1.8 within the range of differences between (i) Buyer's position with respect thereto as set forth in its submission and (ii) Seller's position with respect thereto as set forth in Seller's submission. Seller and Buyer will use their commercially reasonable efforts to cause the Independent Accounting Firm to render a written determination to the Parties regarding the remaining disputed items and amounts submitted to it as soon as practicable and in any event within thirty (30) days after submission of the matter, and such report will be final, binding and conclusive on Buyer and Seller. The fees, costs and expenses of the Independent Accounting Firm will be paid by Buyer, on the one hand, and Seller, on the other hand, in inverse proportion as they may prevail on the matters resolved by the Independent Accounting Firm, which proportionate allocation will be calculated on an aggregate basis based on the relative dollar values of the amounts in dispute and will be determined by the Independent Accounting Firm at the time the determination of such firm is rendered on the merits of the matters submitted. The fees and disbursements of each Party incurred in connection with their preparation or review of

the Post-Closing Statement and preparation or review of any Notice of Disagreement, as applicable, will be borne by such Party.

(c) Buyer shall, within ten (10) Business Days of the Final Resolution Date, retain from the Holdback Amount all Outstanding Payables, and pay to the Seller any amount remaining from the Holdback Amount in excess of such Outstanding Payables. In the event the Outstanding Payables exceed the Holdback Amount, Seller shall pay to Buyer, within ten (10) days of the Final Resolution Date, the positive difference between the Outstanding Payables and the Holdback Amount. In the event there are no Outstanding Payables, Buyer shall, within ten (10) days of the Final Resolution Date, pay to the Seller the entire Holdback Amount. The payment of Outstanding Payables shall be treated as an adjustments to the Purchase Price for Tax purposes unless otherwise required by Law.

1.9 Taxes and Fees. Excise taxes, tariffs, stamp taxes, conveyance taxes, intangible taxes, documentary recording taxes, license and registration fees, sales tax on accounts receivable, value added taxes and recording fees imposed by any court, arbitrational tribunal, administrative agency or commission or other governmental or regulatory authority, agency or instrumentality (a "Governmental Entity"), if any, related to the transfer of the Acquired Assets hereunder ("Transfer Taxes") shall be borne by the parties as follows: The Seller shall deliver, at its sole cost and expense, all documents required to transfer the Acquired Assets to the Buyer in such form as is required for recording, registration, filing and transfer thereof, and shall pay all transfer taxes associated therewith. Buyer shall, at its sole cost and expense, record, file, register and otherwise memorialize the conveyances. In addition to the foregoing, Buyer shall be responsible for payment of sales tax on the purchase of the Acquired Assets, as required by applicable law. Seller and Buyer shall file all necessary tax returns and other documentation with respect to such Transfer Taxes required by a Governmental Entity to be filed by Seller and Buyer. Seller and Buyer shall cooperate in the preparation and filing of all forms and documentation necessary to provide exemption from Transfer Tax, to the extent permitted by applicable Law.

1.10 Allocation of Purchase Price. Seller and Buyer agree that the Purchase Price and Assumed Liabilities, plus any other amounts as required by applicable Tax Law, shall be allocated in a manner set forth in Schedule 1.10, which allocation shall be made in accordance with Section 1060 of the Code and any applicable U.S. Treasury regulations (the "Allocation"). If any changes to the Allocation are required by material changes in the Acquired Assets occurring between the date hereof and the Closing Date, Buyer shall prepare and deliver a revised Allocation to Seller for review, comment and consent (such consent not to be unreasonably withheld, conditioned or delayed) no later than sixty (60) days after the Closing Date. Seller shall notify Buyer in writing within thirty (30) days after receipt of the revised Allocation of any reasonable disagreement or reasonable objections Seller may have with the Allocation, in which case, Buyer and Seller shall use their good faith efforts to reach agreement thereon. In the event Buyer and Seller fail to so agree within thirty (30) days after Seller's notice of disagreement has been delivered, then Buyer and Seller shall resolve such dispute in the manner set forth in Section 1.8(b). The Allocation finally determined pursuant to this Section 1.10 shall be used by Seller and Buyer for all purposes, including preparation and filing of IRS Form 8594, and no Party hereto shall take or assert any position inconsistent therewith unless required by law.

1.11 Consents. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Contract, Permit or any claim, right or benefit arising thereunder or resulting therefrom, if (x) an attempted assignment or transfer thereof, without the consent of a third party thereto or of the issuing Governmental Entity, would constitute a breach thereof and (y) such consent is not obtained prior to the Closing (such contract, authorization, license or permit, claim, right or benefit, a "Deferred Item"). If an agreement to assign or transfer a Deferred Item is not obtained, or if an attempted assignment or transfer of a Deferred Item would be ineffective or would affect the rights thereunder so that Buyer would not receive all such rights (each, a "Deferred Consent"), then, in each such case, (i) the Deferred Item shall be withheld from sale pursuant to this Agreement, (ii) from and after the Closing, Seller will use its best efforts to obtain the Deferred Consent as soon as practicable after the Closing, and (iii) until such Deferred Consent is obtained, Seller shall provide to Buyer the benefits of such Deferred Item. In particular, in the event that any such Deferred Consent is not obtained prior to the Closing, Buyer and Seller shall enter into such arrangements (including subleasing or subcontracting if permitted) to provide to the Parties the economic and operational equivalent of obtaining such Deferred Consent and assigning or transferring such Deferred Item, including enforcement by Seller for the benefit of Buyer of all claims or rights arising thereunder, and the performance by Buyer of the obligations thereunder (except for any obligations arising from or related to (A) any Retained Liability, including any breach or violation under a Deferred Item prior to Closing, (B) a breach of a Deferred Item by Seller prior to its assignment or transfer to Buyer or (C) a breach of any representation, warranty, covenant or agreement of Seller herein).

1.12 Wrong Pockets. If, after Closing, Buyer or any of its Affiliates possesses any Excluded Asset, Buyer shall, or shall cause its Affiliates to, transfer such asset to Seller at no cost to Seller. If, after Closing, Seller possesses any Acquired Asset, Seller shall transfer such asset to Buyer at no cost to Buyer.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE SELLER

Seller represents and warrants to Buyer that, except as set forth in the disclosure schedule delivered by Seller to Buyer and dated as of the date of this Agreement (the "Seller Disclosure Schedule"), the statements contained in this Article II are true and correct as of the date of this Agreement and as of the date of Closing:

2.1 Organization and Good Standing. Seller is duly organized, validly existing and in good standing under the Laws of its state of organization, and is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature or conduct of its business or the ownership, leasing or operation of its properties or assets requires it to be so qualified, licensed or in good standing. Seller has delivered to Buyer true, correct and complete copies of its Charter Documents.

2.2 Authority. Seller has all corporate power and authority required to own and operate its properties and assets, to carry on its business as it is now being conducted and to execute and deliver this Agreement and the Ancillary Agreements and to perform its obligations hereunder and thereunder. The execution and delivery by Seller of this Agreement and the Ancillary Agreements and the performance by it of its obligations hereunder and thereunder have been duly authorized

by all action required to be taken on its part. This Agreement and each Ancillary Agreement have been duly executed and delivered by Seller and, assuming the valid execution and delivery by Buyer, constitute a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or law) (collectively, the "Bankruptcy Exception").

2.3 No Conflict. The execution, delivery and performance by Seller of this Agreement and each of the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) violate any provision of Seller's Charter Documents; (b) violate or conflict with, or result in a breach of, constitute a default under, or create rights of acceleration, termination or cancellation under any Contract, (c) result in the creation or imposition of a Lien upon, or the forfeiture of, any Acquired Asset; or (d) violate, or result in a breach of or constitute a default under any Law or other restriction of any Governmental Entity to which Seller, the Business or any Acquired Asset is subject.

2.4 Required Filings and Consents. Except for Consents set forth in Schedule 1.7(b)(iii), the execution and delivery of this Agreement and the Ancillary Agreements by Seller and the consummation of the transactions contemplated hereby and thereby do not require any material consents, approvals, authorizations, notices or filings with, by or from any Person or Governmental Entity under any Law, Permit, Contract or otherwise.

2.5 Financial Statements. Seller has provided to the Buyer the Financial Statements. The Financial Statements were prepared on a consistent basis throughout the periods covered thereby and fairly present in all material respects the consolidated financial condition of the Business for the periods indicated, consistent with the books and records of the Seller.

2.6 No Undisclosed Liabilities. Seller has no liability (whether known or unknown, whether absolute or contingent, whether liquidated or unliquidated and whether due or to become due), except for (a) liabilities shown on the Most Recent Balance Sheet, (b) liabilities which have arisen since the Most Recent Balance Sheet Date in the ordinary course of business and which liabilities are not, individually or in the aggregate, material in amount or significance and (c) Retained Liabilities.

2.7 Taxes. Seller has properly filed on a timely basis all Tax Returns that it was required to file, and all such Tax Returns were correct and complete in all respects. Seller has paid on a timely basis all Taxes that were due and payable. For purposes of this Agreement, (i) "Taxes" means (A) all taxes, charges, fees, levies or other similar assessments or liabilities in the nature of a tax, including income, gross receipts, ad valorem, premium, value-added, excise, real property, personal property, sales, use, service, transfer, withholding, employment, payroll and franchise taxes imposed by any Taxing Authority and (B) any interest, fines, penalties, assessments or additions to tax resulting from, attributable to or incurred in connection with any tax described in clause (A) or any contest or dispute thereof, (ii) "Taxing Authority" means the Internal Revenue Service ("IRS"), the New York State Department of Tax And Finance and any similar Governmental Entity and (iii) "Tax Returns" means all reports, returns, declarations, statements or other information required to be supplied to any Taxing Authority in connection with Taxes

(including any attachments thereto or amendments thereof). Seller has complied in all respects with all applicable Laws relating to the filing of Tax Returns and the payment and withholding of Taxes, and all Taxes that Seller was required by Law to withhold or collect have been duly withheld or collected and, to the extent required, have been properly paid to the appropriate Governmental Entity. There are no Liens with respect to Taxes upon any of the Acquired Assets, other than with respect to Taxes not yet due and payable.

2.8 Employee Benefit Plans. Seller has provided to Buyer a new hire packet and a chart showing the benefits in place for current employees, by type and cost (employer and employee). Seller's 401(k) plan utilizes a prototype or volume submitter document that has received an opinion or advisory letter from the IRS to the effect that such plan is qualified under Section 401(a) of the Code and on which letter Seller can rely. No condition exists with respect to Seller Benefit Arrangement that would reasonably be expected to subject Seller to any material fine, penalty, Tax or liability of any kind imposed under ERISA, the Code, or other applicable Law or the Buyer to any fine, penalty, Tax, or liability. No Seller Benefit Arrangement contains any provision that, as a result of the transactions contemplated hereby or upon related, concurrent, or subsequent employment termination, would (a) increase, accelerate or vest any compensation or benefit, (b) require severance, termination, or retention payments, (c) provide any term of employment or compensation guaranty, (d) trigger any liabilities, (e) forgive any indebtedness, (f) require or provide any payment or compensation subject to Section 280G of the Code (and no such payment or compensation has previously been made), or (g) promise or provide any tax gross ups or indemnification, whether under Sections 409A or 4999 of the Code or otherwise. Seller has paid all amounts it is required to pay as contributions to or premiums for the Seller Benefit Arrangements in a timely manner. All group health plans of Seller comply in all material respects with the requirements of COBRA. Seller has never maintained or had any liability with respect to a Seller Benefit Arrangement subject to the Laws of any jurisdiction outside of the United States.

2.9 Labor Matters. Seller has not breached or violated in any material respect any (a) Law respecting employment and employment practices, terms and conditions of employment and wages and hours, including any such Law respecting employment discrimination, employee classification (whether for overtime or determining independent contractor status), workers' compensation, family and medical leave, the Immigration Reform and Control Act and occupational safety and health requirements, or (b) Seller Benefit Arrangement, employment agreement or other individual service-providing agreement; and no Legal Proceedings or government audits are pending or, to Seller's Knowledge, threatened, with respect to such Laws or Seller Benefit Arrangements or other agreements, either by private individuals or by Governmental Entities, nor have there been any prior Legal Proceedings or government audits with respect to such matters. All individuals who have performed services for Seller while classified as independent contractors have satisfied the requirements of Law to be so classified, and Seller has fully and accurately reported their compensation on IRS Forms 1099 or other applicable Tax forms for independent contractors when required to do so. Seller has not employed any individual outside of the United States. Seller has no knowledge of any organizational effort made or threatened, either currently or within the past two (2) years, by or on behalf of any labor union with respect to employees of Seller.

2.10 Intellectual Property.

(a) The Acquired Intellectual Property set forth in Schedule 1.1(f) constitutes all Intellectual Property that is necessary for, used by Seller in, or developed by Seller during, the conduct or operation of the Business, as currently conducted and operated, as conducted and operated in the twelve (12) month period prior to the date hereof and as currently planned by Seller to be conducted and operated in the future. Seller is the sole and exclusive owner of, and has good title to, all of the Acquired Intellectual Property applicable to the Business, free and clear of all Liens, and Seller has the right to transfer all of its right, title and interest in and to such Acquired Intellectual Property.

(b) Except as set forth on Section 2.10 of the Seller Disclosure Schedule, no Intellectual Property used in or related to the Business is licensed by Seller from any third party. Seller has not licensed or granted any rights under or to the Acquired Intellectual Property to any third party. The Acquired Intellectual Property does not infringe or violate or constitute a misappropriation of any Intellectual Property of any third party. Seller has not received any oral, written or other notice alleging any such infringement, violation or misappropriation. There is no pending or, to Seller's Knowledge, threatened claim, interference, opposition or demand of any third party challenging the ownership, validity or scope of any Acquired Intellectual Property.

(c) Seller has taken reasonable measures, consistent with Seller's reasonable business judgment, to maintain in confidence all trade secrets and confidential information comprising a part of the Acquired Intellectual Property.

2.11 Contracts. Seller has furnished to the Buyer a complete and accurate copy of each Assumed Contract. The Assumed Contracts set forth in Schedule 1.1(d) constitute all the Contracts that are necessary for, and used by the Seller in, the conduct or operation of the Business, as currently conducted and operated, as conducted and operated in the twelve (12) month period prior to the date hereof and as currently planned by the Seller to be conducted and operated in the future. Each Assumed Contract is a legal, valid and binding obligation of Seller and, to the Seller's Knowledge, of each other party thereto, and is enforceable (subject to the Bankruptcy Exception) and in full force and effect with respect to Seller, and, to the Seller's Knowledge, with respect to each other party thereto. Neither Seller, nor to the Seller's Knowledge any other party to any Assumed Contract, is in violation in any respect of or in default in any respect under, nor does there exist any condition which, upon the passage of time or the giving of notice or both, would reasonably be expected to cause such a violation of or default under or permit termination of or modification or acceleration of any obligations of Seller pursuant to, any Assumed Contract.

2.12 Litigation. Except as set forth in Section 2.12 of the Seller Disclosure Schedule (the "Litigation Matters"), there is no Legal Proceeding pending or, to Seller's Knowledge, threatened, against Seller, the Acquired Assets or any current or former principal, director, manager, officer, employee, consultant or agent of Seller (in their respective capacities as such), and there are no judgments or outstanding orders, injunctions, decrees, stipulations or awards (whether rendered by a court, an administrative agency or an arbitrator) against or with respect to any of the Acquired Assets, the Business, the Seller or any current or former principal, director, manager, officer, employee, consultant or agent of Seller (in their respective capacities as such).

There is no Legal Proceeding initiated by Seller, or which Seller has commenced preparations to initiate, against any other Person.

2.13 Compliance With Laws. Seller has been and is in compliance in all material respects, is not in material violation of and has not received any written or, to Seller's Knowledge, other notice alleging any material violation with respect to, any applicable Law with respect to Seller, the Business or the ownership or operation of the Acquired Assets.

2.14 Permits. The Acquired Permits set forth in Schedule 1.1(e) constitute all of the Permits that are necessary for, and used by Seller in, the conduct or operation of the Business, as currently conducted and operated, as conducted and operated in the twelve (12) month period prior to the date hereof and as currently planned by the Seller to be conducted and operated in the future. Seller is in compliance in all material respects with the Acquired Permits and has not received any written or, to Seller's Knowledge, other notice that it is in violation of any of the terms or conditions of such Acquired Permits. All such Acquired Permits are in full force and effect and no action or claim is pending or, to Seller's Knowledge, threatened to revoke, suspend, adversely modify or terminate any such Acquired Permit or declare any such Acquired Permit invalid. Seller has not received any written notice with respect to any failure by Seller to have any Permit required for the operation of the Business.

2.15 Affiliate Transactions. No Affiliate, director, officer or employee of Seller or holder of a record or beneficial interest in Seller (a) has or has had any interest or ownership in any Acquired Asset or any asset, right or property (tangible or intangible) related to or used in connection with the Business, (b) has any claim or cause of action against Seller related to the Business or (c) is a party to any Contract, transaction, arrangement or course of dealing with Seller.

2.16 Customers and Suppliers. Schedule 1.1(c) and Section 2.16 of the Seller Disclosure Schedule sets forth (a) each customer of the Business, and (b) each supplier of the Business. Seller has not received any notice that any such customer or supplier intends to cancel, terminate or otherwise adversely modify its relationship with Seller or the Business, or limit its services, supplies or materials to Seller or the Business, or its usage or purchase of the services and products of Seller or the Business.

2.17 Assets. Seller is the sole, exclusive, true and lawful owner of, and has good and marketable title to, all of the Acquired Assets, free of all Liens. Upon Closing, Buyer will become the true and lawful owner of, and will receive good and valid title to, the Acquired Assets, free and clear of all Liens. The Acquired Assets are sufficient for the conduct of the Business as currently conducted and operated, as conducted and operated in the twelve (12) month period prior to the date hereof and as currently planned by Seller to be conducted and operated in the future and constitute all of the assets, rights or properties (tangible and intangible) used or held for use by the Seller in connection with the Business. The Acquired Assets are in good working order and condition, free from material defects, but subject to ordinary wear and tear, and have been maintained as required by all applicable Laws and manufacturers' specifications.

2.18 Real Property. Section 2.18 of the Seller Disclosure Schedule lists all real property, owned, leased or licensed, and used by Seller in connection with the Business. Seller has good, marketable and valid title to all such real property that constituted an Acquired Asset, free and

clear of all Liens, other than Liens that benefit such real property or are otherwise permitted by Buyer at Closing. There are no written or oral leases, subleases, licenses, concessions, occupancy agreements or other agreements granting to any Person the right to use or occupy any of the Acquired Assets constituting real property and there is no Person (other than the Seller) in possession of any of such real property.

2.19 Environmental Matters.

(a) Seller, the Business and the Acquired Assets have been and are presently in compliance in all material respects with all applicable Environmental Laws. There is no pending or, to Seller's Knowledge, threatened civil or criminal litigation, administrative proceeding or investigation relating to any Environmental Law involving Seller, the Business or any Acquired Asset, nor has Seller received any written or, to Seller's Knowledge, other notice of violation or any inquiry or information request from any Person or Governmental Entity relating to any Environmental Law involving Seller, the Business or any Acquired Asset.

(b) Seller is not subject to any liability arising from the release or threatened release of any Hazardous Materials into the environment or any failure to comply with any Environmental Law.

(c) Except as set forth in Section 2.19 of the Seller Disclosure Schedule, Seller is not a party to or bound by any court order, administrative order, consent order or other agreement between Seller and any Governmental Entity entered into in connection with any legal liability arising under any Environmental Law.

(d) To Seller's Knowledge, Seller is not subject to any environmental liability relating to any solid or hazardous waste transport or treatment, storage or disposal facility that has been used by Seller or the Business.

(e) There are no environmental reports, investigations or audits relating to any premises currently or previously owned, operated, occupied or leased by Seller in connection with the Business (whether conducted by or on behalf of Seller or a third party, and whether done at the initiative of Seller or directed by a Governmental Entity or other third party) of which Seller has possession or to which it has access that has not been provided to Buyer.

2.20 Insurance. The Acquired Assets are insured under policies of general liability, products liability and other forms of insurance, consistent with industry practices. Seller has no knowledge of any state of facts or the occurrence of any event which reasonably might form the basis of any claim against Seller that would be covered by such policies. Seller has not failed to give any notice or present any claim under any such policy in a timely fashion or in the manner or detail required by the policy. No notice of cancellation or nonrenewal with respect to, or disallowance of any claim under, any such policy has been received by Seller.

2.21 Brokers. No agent, broker, investment banker, financial advisor or other firm or Person is or shall be entitled, as a result of any action, agreement or commitment of Seller, to any

broker's, finder's, financial advisor's or other similar fee or commission in connection with any of the transactions contemplated by this Agreement.

2.22 Disclosure. No representation or warranty by Seller contained in this Agreement, taking into account the Seller Disclosure Schedule, or contained in any other document delivered or to be delivered by or on behalf of Seller pursuant to this Agreement or any Ancillary Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make each statement contained herein or therein, in light of the circumstances under which it was or will be made, not misleading.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller that the statements contained in this Article III are true and correct as of the date of this Agreement and as of the date of Closing.

3.1 Organization and Good Standing. The Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Maine. The Buyer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature or conduct of its business or the ownership, leasing or operation of its properties and other assets requires it to be so qualified, licensed or in good standing.

3.2 Authority. The Buyer has all requisite corporate power and authority to own and operate its properties and assets, to carry on its business as it is now being conducted and to execute and deliver this Agreement and the Ancillary Agreements and to perform its obligations hereunder and thereunder. The execution and delivery by the Buyer of this Agreement and the Ancillary Agreements and the performance by the Buyer of its obligations hereunder and thereunder have been duly authorized by all requisite corporate action on the part of Buyer and no additional authorization on the part of the Buyer is necessary in connection with the execution, delivery and performance of this Agreement or of the Ancillary Agreements. This Agreement and each Ancillary Agreement to be executed on the date hereof has been, and each other Ancillary Agreement to be executed on the Closing Date will be, duly executed and delivered by the Buyer and, assuming the valid execution and delivery by the Seller, constitute a legal, valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms, except as enforcement may be limited by the Bankruptcy Exception.

3.3 No Conflict. The execution, delivery and performance of this Agreement and each of the Ancillary Agreements by the Buyer and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) violate any provision of the Charter Documents of the Buyer, (b) violate or conflict with, or result in a breach of, constitute a default under, or create rights of acceleration, termination or cancellation under, or to a loss of any benefit to which the Buyer is entitled under, any agreement to which the Buyer is a party or to which its properties or assets are subject or (c) violate, in any material respect, or result in a material breach of or constitute a material default under any Law or other restriction of any Governmental Entity to which the Buyer is subject, and, in the case of clauses (b) and (c), where any of the listed items, individually or in the aggregate, would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement.

3.4 Required Filings and Consents. The execution and delivery of this Agreement, and the consummation of the transactions contemplated hereby, by the Buyer do not require any material consent, approval, notice or filing with any Person or Governmental Entity.

3.5 Litigation. There is no Legal Proceeding pending or, to the Buyer's Knowledge, threatened against the Buyer which, individually or in the aggregate, would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement. There are no judgments or outstanding orders, injunctions, decrees, stipulations or awards (whether rendered by a court, an administrative agency or by an arbitrator) against or with respect to the Buyer which, individually or in the aggregate, would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement.

3.6 Brokers. No agent, broker, investment banker, financial advisor or other firm or Person is or shall be entitled, as a result of any action, agreement or commitment of the Buyer, to any broker's, finder's, financial advisor's or other similar fee or commission in connection with any of the transactions contemplated by this Agreement.

ARTICLE IV
CONDUCT OF BUSINESS

4.1 Covenants of the Seller. During the period commencing on the date of this Agreement and ending at the Closing or such earlier date as this Agreement may be terminated in accordance with its terms (the "Pre-Closing Period"), Seller shall conduct the Business in the ordinary course of business, consistent with past practice, satisfy its liabilities and other obligations as they come due, use commercially reasonable efforts to maintain and preserve the Acquired Assets and preserve its business relationships with those Customers, vendors, suppliers and others related to the Business. Without limiting the generality of the foregoing, during the Pre-Closing Period, Seller shall not do any of the following without the prior written consent of the Buyer:

(a) incur any indebtedness outside the ordinary course of the Business;

(b) enter into any transaction outside of the ordinary course of the Business consistent with past practice;

(c) sell, lease, license, pledge, abandon, exchange or otherwise dispose of or encumber or create or suffer the creation of a Lien on any of the Acquired Assets;

(d) waive or release any right of, or cancel, compromise, release or assign any obligations owed to, Seller related to or arising under the Business or any Acquired Asset;

(e) enter into, waive any right of Seller under, amend, modify, terminate, or take or omit to take any action that would constitute a violation of or default under, any Assumed Contract;

(f) institute or settle any Legal Proceeding; or

(g) authorize any of, or commit or agree to take any of, the foregoing actions.

4.2 Confidentiality. The Parties acknowledge that the Buyer and Seller have previously executed a confidentiality agreement, dated as of March 18, 2019 (the "Confidentiality Agreement"), which Confidentiality Agreement shall continue in full force and effect in accordance with its terms until the Closing, except as expressly modified herein.

ARTICLE V
ADDITIONAL AGREEMENTS

5.1 No Solicitation. During the Pre-Closing Period, the Seller shall not, and shall use reasonable best efforts to cause its principals, directors, managers, officers, employees and agents (the "Representatives") not to, directly or indirectly, (a) solicit, initiate, seek, encourage, support or facilitate an Acquisition Proposal, (b) negotiate, authorize or enter into an agreement with respect to an Acquisition Proposal, (c) discuss with, recommend or propose to any other Person an Acquisition Proposal or (d) furnish or cause to be furnished to any other Person any information concerning the Business or the Acquired Assets for the purpose of encouraging or facilitating an Acquisition Proposal. Seller shall promptly (and in any event within twenty four (24) hours after receipt of any Acquisition Proposal) notify the Buyer of the identity of any Person making an Acquisition Proposal during the Pre-Closing Period and provide the Buyer with a copy of any such Acquisition Proposal (or, in the case of any oral communication, a written summary thereof).

5.2 Confidentiality. From and after the Closing Date, Seller shall, and shall cause its Representatives to, treat and hold as confidential, and not disclose any of the Confidential Information to any Person, and not to use any Confidential Information, except to the extent necessary to pursue its rights under this Agreement or the Ancillary Agreements. In the event that Seller is requested or required by oral question or request for information or documents in any Legal Proceeding, interrogatory, subpoena, civil investigative demand or similar process or as otherwise required by Law to disclose any Confidential Information, Seller shall notify the Buyer promptly of the request or requirement so that the Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 5.2. If, in the absence of a protective order or the receipt of a waiver hereunder, Seller or any of its Representatives are compelled to disclose any Confidential Information to any Governmental Entity or else stand liable for contempt, they may disclose the Confidential Information to the Governmental Entity; provided, however, that Seller shall use commercially reasonable efforts to obtain an order or other assurance that confidential treatment will be accorded to such Confidential Information.

5.3 Due Diligence; Access to Information.

(a) During the Pre-Closing Period, the Seller shall afford to the Buyer, and the Buyer's Representatives, full access, upon notice, during normal business hours, to all of its facilities, employees, customers, suppliers, vendors, contracts, books and records relating to the Seller, the Acquired Assets and the Business as the Buyer shall reasonably request, and, during such Pre-Closing Period, the Seller shall furnish promptly to the Buyer the information concerning the Seller, the Acquired Assets and the Business as the Buyer may reasonably request. Any access provided to the Buyer or information provided by the Seller shall not constitute any expansion of or additional representations or warranties of the Seller beyond those expressly set forth in this Agreement. The Buyer will treat any such information which constitutes "Confidential Information" under the Confidentiality

Agreement in accordance with the Confidentiality Agreement. Notwithstanding the foregoing, the Seller shall not have any obligation to provide the Buyer with any such access or information which is prohibited under applicable Law.

(b) Buyer shall have the right to complete, at Buyer's expense, and to Buyer's satisfaction, prior to Closing ("Due Diligence Period"), a due diligence review of all matters relating to the Business and any Acquired Asset, including, without limitation, the economic viability of the Business, the condition, including the environmental conditions, of the Acquired Assets and title to the Acquired Assets. Buyer shall, in furtherance of these efforts, have the right, upon reasonable notice to Seller, to enter onto the Acquired Real Property for the purpose of conducting all tests, inspections and examinations deemed by Buyer to be necessary or convenient for such due diligence review. Such tests, inspections and examinations may include, without limitation, a Phase I environmental assessment of the Acquired Real Property, and any tests, inspections and examinations arising therefrom. Buyer shall promptly restore the Acquired Real Property to the condition existing prior to Buyer's entrance thereon in the event that Buyer causes any damage to the Acquired Real Property and this Agreement is terminated without Closing. Buyer agrees to defend, indemnify and hold harmless Seller from and against any and all Damages caused by any act or omission of Buyer, or its Representatives, in conducting its due diligence investigation (but not from the results therefrom). Buyer's indemnification under this subsection shall survive the termination of this Agreement. For avoidance of doubt, Buyer may terminate this Agreement upon written notice to Seller made during the Due Diligence Period for any reason whatsoever. Upon any such termination, this Agreement shall be deemed null and void, Seller shall return the Deposit, plus any interest earned thereon, to Buyer and, except for the return of the Deposit and matters expressly stated herein to survive such termination, neither Party shall have any further rights or liabilities hereunder.

(c) Seller shall retain, and the Buyer shall have the right to reasonable access to, for a period of six (6) years following the Closing Date, those books, records and accounts, including financial and accounting records (including the work papers of the Seller's independent accountants), tax records, correspondence, production records, employment records and other records related to the Acquired Assets and the Business for the purpose of conducting the Business after the Closing and complying with its obligations under applicable securities, tax, environmental, employment or other laws and regulations. Seller shall not, during the six (6) year period, destroy any such books, records or accounts retained by it without first providing Buyer with the opportunity to obtain or copy such books, records, or accounts at Buyer's expense.

5.4 Legal Conditions to the Closing.

(a) Subject to the terms hereof, the Seller and the Buyer shall each:

(i) use its commercially reasonable efforts to take, or cause to be taken, all actions, and do, or cause to be done, and to assist and cooperate with the other Party in doing, all things reasonably necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement as promptly as practicable;

(ii) use commercially reasonable efforts not to take any action that would, or that would reasonably be expected to, result in (a) any of the representations and warranties of such Party set forth in this Agreement becoming untrue or inaccurate or (b) any condition set forth in Article VI not being satisfied;

(iii) use its commercially reasonable efforts to make, as promptly as practicable, all necessary filings and any other required submissions required under any applicable Law with respect to the transactions contemplated by this Agreement;

(iv) use its commercially reasonable efforts to give any notices to third parties, and obtain, as promptly as practicable, from any Governmental Entity or any other third party any consents, licenses, permits, waivers, approvals, authorizations or orders required to be obtained or made by the Seller or the Buyer in connection with the authorization, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, it being understood that neither the Seller nor the Buyer shall be required to agree to any special undertakings to obtain any consent from any Governmental Entity or other third party; and

(v) execute or deliver any additional instruments necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement.

The Seller and the Buyer shall cooperate with each other in connection with the making of all such filings, including providing copies of all such documents to the non-filing Party and its advisors prior to filing and, if requested, accepting reasonable additions, deletions or changes suggested in connection therewith. The Parties shall promptly furnish to each other all information required for any application or other filing to be made pursuant to the rules and regulations of any applicable Law in connection with the transactions contemplated by this Agreement.

5.5 Public Disclosure. The press release, if any, announcing the execution of this Agreement shall be issued in such form as shall be mutually agreed upon by the Parties. Thereafter, the Seller agrees not to issue any press release or other public statement, whether written, electronic, oral or otherwise, disclosing the existence of this Agreement, the terms hereof, the transactions contemplated therein, or any information relating to this Agreement without the prior written consent of the Buyer, provided that the Seller shall not be required to seek the permission of the Buyer to repeat any such information that has already been publicly disclosed by the Buyer so long as such information remains true, correct and consistent with the most recent information publicly disclosed by the Buyer.

5.6 Non-competition; Non-solicitation.

(a) Seller, and each principal of Seller, covenants and agrees that from and after the Closing Date and until the date that is the seventh (7^{th}) anniversary of the Closing Date, Seller, and each principal of Seller, shall not, and shall cause their respective

Representatives not to, directly or indirectly as a Representative of any Person or otherwise, engage in the Territory in any business, or in developing, selling, manufacturing, distributing or marketing any product or service, that competes directly or indirectly with the Business. Notwithstanding the foregoing, nothing contained in this Section 5.6 shall prohibit Seller from managing manure arising from Seller's or its Affiliates own farming operations or providing to any Person transportation of all forms of waste, including Class B biosolids and food waste, and services associated with the spreading of liquid and solid waste residuals produced by Buyer or any other Person.

(b) Seller, and each principal of Seller, covenants and agrees that from and after the Closing Date and until the date that is the seventh (7^{th}) anniversary of the Closing Date, Seller, and each principal of Seller, shall not, and shall cause their Representatives not to, either directly or indirectly as a Representative of any Person, (a) solicit or attempt to induce any employee, independent contractor or consultant to terminate its relationship with the Buyer or an Affiliate of the Buyer or (b) hire or attempt to hire any such employee or, to the extent exclusive to Buyer, independent contractor or consultant; provided that this clause (b) shall not apply to any individual whose relationship with Buyer or an Affiliate of the Buyer has been terminated for a period of six (6) months or longer.

(c) The Parties hereby acknowledge and agree that the covenants set forth in this Section 5.6 are an essential element of this Agreement and that, but for these covenants, the Parties would not have entered into this Agreement. The Parties acknowledge that this Section 5.6 constitutes an independent covenant and shall not be affected by performance or nonperformance of any other provision of this Agreement or any other document contemplated by this Agreement. Seller, and each principal of Seller, acknowledge and agree that, in the event of a breach of any of the terms set forth in this Section 5.6, the Buyer shall suffer immediate, irreparable injury and will, therefore, be entitled to seek, in addition to any other damages to which it may be entitled at law, in equity or otherwise, immediate and permanent injunctive relief, without the necessity of showing actual damages or that monetary damages would not provide an adequate remedy at law or posting a bond or other security therefore. Buyer shall also recover from Seller, and each principal of Seller, joint and severally, the reasonable costs and attorneys' fees Buyer incurs in enforcing its rights under this Section 5.6. The Parties further acknowledge and agree and intend that the obligations under this Section 5.6 be tolled during any period that Seller, or any principal of Seller, is in breach of its obligations under this Section 5.6, so that the Buyer is provided with the full benefit of the restrictive periods set forth herein.

(d) The Parties acknowledge that the restrictions set forth in this Section 5.6 (i) are reasonably drawn with respect to duration, scope, and otherwise, (ii) are not unduly burdensome, (iii) are not injurious to the public interest and (iv) are supported by adequate consideration. It is the intention of the Parties that if any of the restrictions or covenants contained in this Section 5.6 is held to cover a geographic area, or to be for a length of time, which is not permitted by applicable Law, or in any way construed to be too broad or to any extent invalid, such restrictions or covenants shall not be construed to be null, void and of no effect, but to the extent such restrictions or covenants would be valid or enforceable under applicable Law, a court of competent jurisdiction shall construe and interpret and reform this Section 5.6 to provide for a covenant having the maximum

enforceable geographic area, time period and other provisions that would be valid and enforceable under such applicable Law.

5.7 Employees. Effective as of the Closing, Buyer shall be permitted to offer employment to Seller's employees working in the Business, which employment shall be terminable at the will of Buyer. Seller hereby consents to the hiring of any such employee by Buyer and waives, with respect to the employment by Buyer of such employee, any claims or rights Seller may have against Buyer or any such employee under any non-competition, confidentiality or employment agreement. Neither Buyer nor its Affiliates will assume or be responsible for any liabilities or obligations under any Seller Benefit Arrangement, and Seller will remain solely responsible for all liabilities and obligations under all such plans and arrangements. Without limiting the foregoing, any severance, COBRA and other payments and obligations on employment termination with respect to employees (as they leave Seller's employ) and employees who decline or are not offered employment Buyer will be the sole responsibility of Seller.

5.8 Notification of Certain Matters. During the Pre-Closing Period, the Buyer shall give prompt notice to the Seller, and the Seller shall give prompt notice to the Buyer, of (a) the occurrence, or failure to occur, of any event, which occurrence or failure to occur is reasonably likely to cause any representation or warranty of such Party contained in this Agreement to be untrue or inaccurate in any material respect or (b) any material failure of the Buyer or the Seller, as the case may be, to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under this Agreement. Notwithstanding the foregoing, the delivery of any notice pursuant hereto will not cure any breach of this Agreement or otherwise limit or otherwise affect the remedies available hereunder to the Party receiving such notice or the conditions to such Party's obligation to consummate the transactions contemplated by this Agreement.

5.9 Further Assurances. Subject to, and not in limitation of, Section 5.4, each of the Buyer and the Seller shall use its commercially reasonably efforts to take all actions necessary or appropriate to consummate the transactions contemplated by this Agreement and cause the fulfillment at the earliest practicable date of all of the conditions to each Party's obligations to consummate the transactions contemplated by this Agreement, including the delivery of any and all documents, certificates and agreements. In case at any time after the Closing, any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will cooperate with the other and take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request.

5.10 Bulk Transfers Laws. Buyer shall prepare and file New York State Form AU-196.10, Notification of Sale, Transfer or Assignment in Bulk, with respect to the transactions contemplated by this Agreement. Seller shall remain liable for, and shall indemnify Buyer from, any and all taxes that are stated to be due from Seller in response to the filing of such form.

5.11 Transition Support. Seller agrees to, following Closing, reasonably cooperate and consult with the Buyer to (i) promptly refer to Buyer all telephone or other inquiries received by Seller from customers, suppliers, vendors, resellers, business partners and other Persons regarding, relating to or in connection with the Business, (ii) promptly forward to Buyer all mail received by Seller regarding, relating to or in connection with the Business, (iii) effect the orderly transfer of, and support the continuation of the benefit and full enjoyment by the Buyer of, the Acquired Assets

and the Business, (iv) facilitate the continued operation of the Business in the ordinary course of business, consistent with past practices and (v) assist Buyer in the transition of the Business to Buyer's facilities, systems and personnel, as applicable. Seller shall continue to employ, for a period of ninety (90) days following Closing, Mary Rayeski to assist with such services.

5.12 Real Property Tax Matters. Any property Taxes applicable to the Acquired Real Property for a taxable period that includes but does not end on the Closing Date shall be paid by the Buyer or the Seller, as applicable, and such Taxes shall be apportioned between Buyer and the Seller based on the number of days in the portion of the taxable period that ends on the Closing Date (the "Pre-Closing Tax Period") and the number of days in the entire taxable period. The Seller shall pay the Buyer an amount equal to any such Taxes payable by the Buyer which are attributable to the Pre-Closing Tax Period, and the Buyer shall pay the Seller an amount equal to any such Taxes payable by the Seller which are not attributable to the Pre-Closing Tax Period. Such payments shall be made on or prior to the Closing Date or, if later, on the date such Taxes are due (or thereafter, promptly after request by the Buyer or the Seller if such Taxes are not identified by the Buyer or the Seller on or prior to the Closing Date).

5.13 Condemnation; Casualty Loss. In the event of material damage by fire or other casualty to any Acquired Asset, or in the event a material portion of any Acquired Asset is taken by eminent domain, in each case as determined by the Buyer in its sole discretion, Buyer may, at its sole election, terminate this Agreement with respect to all or any portion of the Acquired Assets by providing Seller with notice of such termination, in which event, this Agreement shall become null and void with respect to such terminated Acquired Asset(s), and the Parties shall have no further obligations under this Agreement with respect thereto, except for any obligation that is expressly stated in this Agreement to survive the termination of this Agreement. No consideration shall be paid for the terminated Asset(s). The Purchase Price shall therefore be reduced, as mutually agreed to by the Parties. If, however, the Buyer shall not so terminate this Agreement, then Seller shall assign to Buyer all of its right, title and interest in and to any insurance proceeds or eminent domain award due Seller as a result of such casualty or taking.

5.14 Post-Closing Obligations. Following Closing, Seller hereby agrees to the following:

(a) To work cooperatively with Buyer, and to actively participate (including being attendance at and assisting with public hearings), in the transfer from Seller to Buyer of that certain Solid Waste Management Permit, bearing Permit No. 8-4699-00012/00001 (the "DEC Permit"), renewed October 1, 2019 and issued by the New York State Department of Environmental Conservation (the "Department") in relation to the Business, and, in connection therewith, the separation and/or removal from the DEC Permit of that certain Concentrated Animal Feeding Operation Permit (the "CAFO Permit") presently included in the DEC Permit, which CAFO Permit has been dissolved;

(b) To remove, or caused to be removed, within one hundred twenty days (120) of Closing, the non-recognizable food waste and manure stored in the Covered Lagoon and Lagoon 2, as identified on Schedule 5.14(b), in accordance with all applicable Laws;

(c) To provide, or cause to be provided, within sixty (60) days of Closing, and at its own cost and expense, drawings, plans and schematics of all facilities associated with the Business; and

(d) To remove, or caused to be removed, within sixty (60) days of Closing, and its own cost and expense, the items listed in Schedule 5.14(d).

If Seller has not completed its obligations set forth in Section 5.14(b), (c) or (d), then Buyer shall have the right to perform such obligations with its own means and charge any and all costs thereof to Seller in the Post Closing Statement contemplated in Section 1.8 (collectively, the "Post Closing Obligations Costs").

5.15 DES Lease. At Closing, Seller shall lease, or cause its affiliates and others, including, without limitation, Dickson Land Holdings, Inc., Jay Dickson, Loren L. Dickson and Phillip M. Dickson (collectively, the "DES Affiliated Landowners"), to lease, to Buyer exclusive rights to use certain permitted and spreadable real property, as more particularly identified in Schedule 5.15 ("DES Leased Property"), for the spreading of solid and liquid residuals managed by Buyer, estimated to be approximately ten thousand (10,000) tons of Class B biosolids and/or food waste per year (the "DES Lease"). The DES Lease shall be substantially in the form set forth in Exhibit "F", have an initial term of ten (10) years and provide for rent [redacted] per ton of biosolids and/or food waste spread on the leased premises.

5.16 DES Subcontracts. Prior to or at Closing, Seller and Buyer shall negotiate, execute and deliver the following agreements:

(a) A master transportation agreement, pursuant to which, Seller will provide to Buyer, on a non-exclusive basis, for a term concurrent with the term of the DES Lease, hauling of (i) Class B biosolids and/or food waste from Buyer's generators to the Business and its related facilities or other locations designated by Buyer and (ii) landfill leachate from Buyer's Ontario County, Chemung County, and Hyland Landfills to locations designated by Buyer; and

(b) A transportation and spreading agreement, pursuant to which, Seller will, for a term concurrent with the term of the DES Lease, deliver to, and spread on, the DES Leased Property and such other locations designed by Buyer liquid and solid residuals produced by the Business and its related facilities (collectively, the "DES Subcontracts").

[redacted]

[redacted]

5.18 Right of First Option. [redacted]

ARTICLE VI
CONDITIONS TO THE PURCHASE AND SALE

6.1 Conditions to Each Party's Obligation to Effect the Closing. The respective obligations of each Party to this Agreement to consummate the transactions contemplated hereby shall be subject to the satisfaction on or prior to the Closing Date of the following conditions:

(a) Governmental Approvals. All authorizations, consents, orders or approvals of, or declarations or filings with, or expirations of waiting periods imposed by, any Governmental Entity in connection with the consummation of the transactions contemplated by this Agreement, shall have been filed, been obtained or occurred.

(b) No Injunctions. No Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any order, executive order, stay, decree, judgment or injunction (preliminary or permanent) or statute, rule or regulation which has the effect of making the transactions contemplated by this Agreement illegal or otherwise prohibiting consummation of the transactions contemplated by this Agreement.

6.2 Additional Conditions to Obligations of the Buyer. The obligations of the Buyer to consummate the transactions contemplated hereby shall be subject to the satisfaction on or prior to the Closing Date of each of the following additional conditions, any of which may be waived, in writing, exclusively by the Buyer:

(a) Representations and Warranties. The representations and warranties of the Seller set forth in this Agreement shall each be true and correct in all respects as of the Closing Date with the same force and effect as though made on and as of the Closing Date, except to the extent that any representation or warranty is limited by its terms to a specific date or range of dates (in which case such representation and warranty need only be true and correct on the date or during the range of dates so specified); and the Buyer shall have received a certificate signed by a duly authorized Person on behalf of Seller to such effect.

(b) Performance of Obligations of the Seller. Seller shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date; and the Buyer shall have received a certificate signed by a duly authorized Person on behalf of Seller to such effect.

(c) Due Diligence. Buyer shall have completed a due diligence review of the Seller, the Acquired Assets and the Business and the results of such due diligence shall be satisfactory to the Buyer in its sole and absolute discretion.

(d) No Litigation. There shall be no pending litigation brought by any Governmental Entity, and no Governmental Entity shall have threatened any litigation, in any court or any other proceeding to restrain or prohibit or obtain damages or other relief with respect to this Agreement or the consummation of the transactions contemplated hereby.

(e) Authorization. Buyer shall have received a certificate from Seller, dated as of the Closing Date, executed by a duly authorized Person on behalf of Seller, certifying to the resolutions of Seller authorizing (in accordance with applicable Law) and approving the sale of the Acquired Assets and the Business pursuant to this Agreement and the transactions contemplated thereby.

(f) Other Deliveries. Seller shall have made all other deliveries required to be made at or prior to the Closing pursuant to Section 1.7(b).

(g) No Material Adverse Change. Since the date of this Agreement there shall have not been any fact, condition, change, circumstance, event or effect that, individually or in the aggregate, is or could reasonably be expected to have a material adverse effect on the assets, properties, results of operations, prospects or condition (financial or otherwise) of the Business, including the Acquired Assets.

6.3 Additional Conditions to Obligations of the Seller. The obligation of the Seller to consummate the transactions contemplated hereby shall be subject to the satisfaction on or prior to the Closing Date of each of the following additional conditions, each of which may be waived, in writing, exclusively by the Seller:

(a) Representations and Warranties. The representations and warranties of the Buyer set forth in this Agreement shall each be true and correct in all respects as of the Closing Date with the same force and effect as though made on and as of the Closing Date, except to the extent that any representation or warranty is limited by its terms to a specific date or range of dates (in which case such representation and warranty need only be true and correct on the date or during the range of dates so specified).

(b) Performance of Obligations of the Buyer. Buyer shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date.

(c) Other Deliveries. Buyer shall have made all deliveries required to be made at or prior to the Closing pursuant to Section 1.7(c).

ARTICLE VII
TERMINATION AND AMENDMENT

7.1 Termination. This Agreement may be terminated at any time prior to the Closing Date (with respect to Sections 7.1(b) through 7.1(d), by written notice by the terminating Party to the other Party):

(a) by mutual written consent of the Buyer and the Seller; or

(b) by Buyer in accordance with Sections 5.3 or 5.13; or

(c) by either the Buyer or the Seller if a Governmental Entity of competent jurisdiction shall have issued a non-appealable final order, decree or ruling or taken any other non-appealable final action, in each case having the effect of restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement; or

(d) by the Buyer, if there has been a breach of or failure to perform any representation, warranty, covenant or agreement on the part of Seller, as set forth in this Agreement, which breach or failure to perform (i) would cause the conditions set forth in Section 6.1 or 6.2 not to be satisfied and (ii) shall not have been cured within twenty (20) days following receipt by the Seller of written notice of such breach or failure to perform from the Buyer; or

(e) by the Seller, if there has been a breach of or failure to perform any representation, warranty, covenant or agreement on the part of the Buyer set forth in this Agreement, which breach or failure to perform (i) would cause the conditions set forth in Section 6.1 or 6.3 not to be satisfied and (ii) shall not have been cured within twenty (20) days following receipt by the Buyer of written notice of such breach or failure to perform from the Seller.

7.2 Effect of Termination.

(a) In the event of the termination of this Agreement as provided in Section 7.1, this Agreement shall immediately become null and void and, except as set forth in Section 7.2(b), there shall be no liability or obligation on the part of the Buyer or the Seller; provided, however, that (a) any such termination shall not relieve any Party from liability for damages for fraud, intentional or knowing misrepresentation or willful breach of this Agreement and (b) the provisions of Sections 5.2 (Confidentiality), Section 5.3(b) (Due Diligence), this Section 7.2 (Effect of Termination), Section 7.3 (Fees and Expenses) and Article X (Miscellaneous) of this Agreement and the Confidentiality Agreement shall remain in full force and effect and survive any termination of this Agreement.

(b) Notwithstanding the foregoing, if this Agreement is terminated for any reason other than as set forth in Section 7.1(d), then this Agreement shall terminate and come to an end, Seller shall return the Deposit, plus any interest earned thereon, to Buyer and, except for the return of the Deposit to Buyer and other matters expressly stated herein to survive such termination, neither Party shall have any further rights, obligations or liabilities hereunder. If, however, this Agreement is terminated by Seller in accordance

with Section 7.1(d), then Seller shall retain the Deposit as liquidated damages based on an understanding between the Parties that Seller will have suffered damages as a result of such termination, that the damages suffered by Seller as a result thereof will be substantial, and that the amount retained by Seller is not a penalty, but a mutually beneficial estimate of the damages suffered by Seller. For avoidance of doubt, if Seller defaults hereunder, Buyer shall have any and all rights and remedies available to it hereunder, at law or in equity, including, without limitation, the right to seek specific performance hereof.

7.3 Fees and Expenses. Except as otherwise provided herein, all fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such fees and expenses, whether or not the Closing occurs.

7.4 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties hereto.

7.5 Waiver. The Parties may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other Parties, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (c) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such Party. Such extension or waiver shall not be deemed to apply to any time for performance, inaccuracy in any representation or warranty, or noncompliance with any agreement or condition, as the case may be, other than that which is specified in the extension or waiver. The failure of any Party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

ARTICLE VIII
INDEMNIFICATION

8.1 Indemnification by the Seller. Subject to the terms and conditions of this Article VIII, from and after the Closing, Seller covenants and agrees to defend and indemnify Buyer and its Affiliates and each of Buyer's and its Affiliates' respective Representatives (individually, a "Buyer Indemnified Party" and collectively, the "Buyer Indemnified Parties") in respect of, and hold the Buyer Indemnified Parties harmless against and will compensate and reimburse the Buyer Indemnified Parties for, any and all losses, damages, obligations, liabilities, fines, fees, penalties, interest, awards, judgments and claims of any kind, including attorneys' and consultants' fees and expenses and other legal costs and expenses incurred in prosecution, investigation, remediation, defense or settlement (collectively, "Damages") incurred or suffered by any Buyer Indemnified Party (regardless of whether such Damages relate to any third party claim) resulting from, relating to or constituting:

(a) any breach of or inaccuracy in any representation or warranty of the Seller contained in this Agreement, the Ancillary Agreements or any certificate delivered by or on behalf of Seller in connection herewith, or any third party allegation thereof;

(b) any nonfulfillment or breach of any covenant or agreement on the part of Seller set forth in this Agreement or any Ancillary Agreement;

(c) any Retained Liability

(d) any Litigation Matters;

(e) any Environmental Matters; or

(f) other than any Assumed Liability, any liability (including any liability related to Taxes) imposed upon the Buyer by reason of its status as transferee of, or successor to, the Business or the Acquired Assets (including any liability imposed upon the Buyer as a result of the failure to comply with any applicable bulk transfers Laws or Tax clearance certificate requirements under applicable state Tax law) or its employment of Seller's employees (other than liabilities arising solely by post-Closing employment by Buyer of Seller's employees).

8.2 Indemnification by the Buyer. Subject to the terms and conditions of this Article VIII, from and after the Closing, Buyer shall indemnify Seller and each of Seller's Representatives (individually, a "Seller Indemnified Party" and collectively, the "Seller Indemnified Parties") in respect of, and hold the Seller Indemnified Parties harmless against and will compensate and reimburse the Seller Indemnified Parties for, any and all Damages incurred or suffered by any Seller Indemnified Party (regardless of whether such Damages relate to any third party claim) resulting from, relating to or constituting:

(a) the inaccuracy or any breach of any of the representations or warranties of the Buyer contained in this Agreement, the Ancillary Agreements or any certificate delivered by or on behalf of the Buyer in connection herewith, or any third party allegation thereof;

(b) any breach or failure to perform by the Buyer of any covenant or agreement contained in this Agreement or any Ancillary Agreement; or

(c) any Assumed Liability.

8.3 Survival. Except in the case of fraud or intentional or knowing misrepresentation, the representations and warranties of Seller shall survive the Closing and the consummation of the transactions contemplated hereby for two (2) years after the Closing Date, at which time they shall expire, other than the Tax representations and warranties, which shall survive for an additional sixty (60) days after the expiration of the applicable statute of limitations, and the Seller Fundamental Reps, which shall survive indefinitely. The representations and warranties of Buyer shall not survive Closing. The covenants and agreements of the Seller and the Buyer set forth in this Agreement shall survive the Closing and the consummation of the transactions contemplated hereby in accordance with their terms. Notwithstanding the foregoing, if an indemnification claim is asserted in writing prior to the expiration as provided in this Section 8.3 of the representation or warranty that is the basis for such claim, then such representation or warranty shall survive until, but only for the purpose of, the resolution of such claim.

8.4 Exclusive Remedy. From and after Closing, except as provided in Sections 1.8, 5.2, 5.6 and 10.5, with respect to claims related to fraud or intentional or knowing misrepresentation and with respect to claims for equitable relief made with respect to breaches of

any covenant or agreement contained in this Agreement, the rights of the Indemnified Parties under this Article VIII shall be the sole and exclusive remedies of the Indemnified Parties with respect to claims under, or otherwise relating to the transactions that are the subject of, this Agreement. Without limiting the generality of the foregoing, except with respect to claims related to fraud or intentional or knowing misrepresentation, in no event shall any Party, or its successors or permitted assigns, be entitled to claim or seek rescission of the transactions consummated by this Agreement.

8.5 Effect of Due Diligence. The rights to indemnification set forth in this Article VIII shall not be affected by any investigation conducted by or on behalf of the Party seeking indemnification or any knowledge acquired (or capable of being acquired) by such Party, whether before or after the date of this Agreement, with respect to the inaccuracy or noncompliance with any representation, warranty, covenant or obligation which is the subject of indemnification hereunder.

8.6 Indemnification Payments. All indemnification payments made hereunder shall be treated by all Parties as adjustments to the Purchase Price for Tax purposes unless otherwise required by Law.

ARTICLE IX
DEFINED TERMS

9.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth or as referenced below:

"Acquired Assets" shall have the meaning ascribed to such term in Section 1.1.

"Acquired Intellectual Property" shall have the meaning ascribed to such term in Section 1.1(f).

"Acquired Permits" shall have the meaning ascribed to such term in Section 1.1(e).

"Acquired Real Property" shall have the meaning ascribed to such term in Section 1.1(a).

"Acquisition Proposal" means any inquiry, proposal, offer, or bid to acquire in any manner, directly or indirectly, any of the Acquired Assets or the Business, other than the transactions contemplated by this Agreement.

"Additional Transfer Documents" shall have the meaning ascribed to such term in Section 1.7(b)(i)(E).

"Advanced Billing Amount" shall have the meaning ascribed to such term in Section 1.5(a)(ii).

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the

power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Agreement" shall have the meaning ascribed to such term in the preamble.

"Allocation" shall have the meaning ascribed to such term in Section 1.10.

"Ancillary Agreements" means the Deed, Bill of Sale, the Assignment and Assumption Agreement, the Post-Closing Lease, the Restrictive Covenants Agreement and the Additional Transfer Documents.

"Assignment and Assumption Agreement" shall have the meaning ascribed to such term in Section 1.7(b)(i)(C) and as set forth on Exhibit C.

"Assumed Contracts" shall have the meaning ascribed to such term in Section 1.1(d).

"Assumed Liabilities" shall have the meaning ascribed to such term in Section 1.3.

"Bankruptcy Exception" shall have the meaning ascribed to such term in Section 2.2.

"[redacted]

"[redacted]

"Bill of Sale" shall have the meaning ascribed to such term in Section 1.7(b)(i)(B) and as set forth on Exhibit B.

"Books and Records" means any and all business records, financial books and records, sales order files, purchase order files, warranty and repair files, supplier lists, customer lists, franchisee, representative and distributor lists, billing and route sheets, mailing lists, studies, surveys, analyses, strategies, plans, forms, designs, diagrams, drawings, specifications, technical data, production and quality control records and formulations, data, databases, user names, passwords, and any information related to customers, suppliers, vendors, consultants, marketing channels and business partners, in any medium, related to the Business or any Acquired Asset, but excluding personnel records.

"Business" shall have the meaning ascribed to such term in the first whereas clause and, for avoidance of doubt, shall not be deemed to include Seller's transportation and land spreading business, which business will be retained by Seller.

"Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions located in New York, New York are permitted or required by Law, executive order or governmental decree to remain closed.

"Buyer" shall have the meaning ascribed to such term in the preamble.

"Buyer Indemnified Party" or "Buyer Indemnified Parties" shall have the meaning ascribed to such term in Section 8.1.

"Buyer's Knowledge" means the actual knowledge, upon due investigation, of Michael Stehman, Vice President.

"CAFO Permit" shall have the meaning ascribed to such term in Section 5.14.

"Charter Documents" means with respect to any Person (other than an individual), (a) the certificate or articles of incorporation or organization and any joint venture, limited liability company or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (b) all by-laws, operating agreement, voting agreements and similar documents, instruments or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

"Closing" and "Closing Date" shall have the meaning ascribed to such term in Section 1.7(a).

"Closing Consideration" shall have the meaning ascribed to such term in Section 1.7(c)(i)(F).

"COBRA" means Part 6 of Title I of ERISA and any similar provision of state or local law.

"Code" means the Internal Revenue Code of 1986, as amended.

"Confidential Information" means (i) any nonpublic or confidential information relating to the Buyer, the Business or the Acquired Assets, except to the extent that such information shall have become public knowledge other than through improper disclosure by the Seller and (ii) any Acquired Intellectual Property constituting a trade secret.

"Confidentiality Agreement" shall have the meaning ascribed to such term in Section 4.2 hereof.

"Contract" means any written or oral agreement, contract, subcontract, settlement agreement, lease, sublease, binding understanding, instrument, note, option, bond, mortgage, indenture, trust document, loan or credit agreement, license, sublicense, insurance policy or legally binding commitment or undertaking of any nature.

"Customers" shall have the meaning ascribed to such term in Section 1.1(c).

"Damages" shall have the meaning ascribed to such term in Section 8.1.

"DEC Permit" shall have the meaning ascribed to such term in Section 5.14.

"Deed" shall have the meaning ascribed to such term in Section 1.7(b)(i)(A) and set forth on Exhibit A.

"Deferred Consent" shall have the meaning ascribed to such term in Section 1.11.

"Deferred Item" shall have the meaning ascribed to such term in Section 1.11.

"Department" shall have the meaning ascribed to such term in Section 5.14.

"Deposit" shall have the meaning ascribed to such term in Section 1.7(c)(i)(A).

"DES Affiliated Landowners" shall have the meaning ascribed to such term in Section 5.15.

"DES Lease" shall have the meaning ascribed to such term in Section 5.15.

"DES Leased Property" shall have the meaning ascribed to such term in Section 5.15.

"DES Subcontracts" shall have the meaning ascribed to such term in Section 5.16.

"Due Diligence Period" shall have the meaning ascribed to such term in Section 5.3(b).

"Environmental Law" means any Law or Permit relating to the environment, occupational health and safety, or exposure of persons or property to Hazardous Materials, including any Law, administrative decision or order pertaining to: (i) the presence of or the treatment, storage, disposal, generation, transportation, handling, distribution, manufacture, processing, use, import, export, labeling, recycling, registration, investigation or remediation of Hazardous Materials or documentation related to the foregoing; (ii) air, water and noise pollution; (iii) groundwater and soil contamination; (iv) the Release, threatened Release, or accidental Release into the environment, the workplace or other areas of Hazardous Materials, including emissions, discharges, injections, spills, escapes or dumping of Hazardous Materials; (v) transfer of interests in, or control of, real property which may be contaminated; (vi) community or worker right-to-know disclosures with respect to Hazardous Materials; (vii) the protection of wild life, marine life and wetlands, and endangered and threatened species; (viii) storage tanks, vessels, containers, abandoned or discarded barrels and other closed receptacles; and (ix) health and safety of employees and other persons.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Escrow Agent" shall have the meaning ascribed to such term in Section 1.7(c)(i)(A).

"Equipment" shall have the meaning ascribed to such term in Section 1.1(b).

"Excluded Assets" shall have the meaning ascribed to such term in Section 1.2.

"Excluded Contract" means (i) this Agreement and each of the Ancillary Agreements, (ii) any Contract that is a Charter Document of Seller, (iii) any Contract which is an Excluded Asset and (v) any Contract set forth on Schedule 9.1.

"Final Resolution Date" shall have the meaning ascribed to such term in Section 1.8(a).

"Financial Statements" means the consolidated balance sheets and statements of income and principals' capital and cash flows of Seller as of the end of and for each of the years ended December 31, 2018, December 31, 2019, December 31, 2020 and December 31, 2021 and the unaudited consolidated balance sheets and statements of income and principals' capital and cash flows of Seller and its subsidiaries as of the end of and for the three (3) months ended March 31, 2022.

"Governmental Entity" shall have the meaning ascribed to such term in Section 1.9.

"Hazardous Material" means any substance that is subject to regulation under any Environmental Law, or has been designated or listed by any Governmental Authority or in or pursuant to any applicable Environmental Law to be radioactive, toxic, a pollutant or contaminant, hazardous or otherwise a danger to health or the environment, including PCBs, asbestos, oil, petroleum and petroleum products (including fractions thereof), urea-formaldehyde and all substances listed as hazardous substances pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or defined as a solid or hazardous waste pursuant to the Resource Conservation and Recovery Act of 1976, or regulated under the Occupational Safety and Health Act, or pursuant to analogous state Laws or regulations.

"Holdback Amount" shall have the meaning ascribed to such term in Section 1.7(c)(i)(E).

"IRS" shall have the meaning ascribed to such term in Section 2.7.

"Independent Accounting Firm" shall have the meaning ascribed to such term in Section 1.8(b).

"Insurance Policies" means all insurance policies carried by Seller or for the benefit of the Business.

"Intellectual Property" means any and all intellectual property rights and other similar proprietary rights in any jurisdiction, whether registered or unregistered, whether owned or held for use under license, including all rights and interests pertaining to or deriving from (1) patents, trademarks, service marks, trade names, domain names, copyrights, designs and trade secrets, (2) applications for and registrations of such patents, including reexaminations, extensions and counterparts claiming priority therefrom, inventions, invention disclosures, discoveries and improvements, whether or not patentable, trademarks, service marks, trade names, domain names, copyrights and designs,

(3) proprietary or confidential processes, formulae, methods, schematics, technology, know-how and computer software programs and applications, including data files, source code, object code and software-related specifications and documentation, and (4) other tangible or intangible proprietary or confidential information and materials, including proprietary databases and data compilations, in each case, including any registrations of, applications to register, and renewals and extensions of, any of the foregoing with or by any Governmental Entity in any jurisdiction.

"Law" or "Laws" means any United States federal, state or local or any foreign law, statute or ordinance, common law or any rule, regulation, standard, judgment, order, writ, injunction, decree, arbitration award, agency requirement, license or permit of any Governmental Entity, including, without limitation, that certain Consent Order, dated May 16, 2019, by and between the Department and Seller.

"Legal Proceeding" means any action, suit, proceeding, claim, arbitration or investigation before any Governmental Entity or before any arbitrator.

"Liens" means any mortgage, security interest, pledge, license, conditional sale or other title retention agreement, lien, charge or encumbrance.

"Litigation Matters" shall have the meaning ascribed to such term in Section 2.12.

"Most Recent Balance Sheet" means the unaudited consolidated balance sheet of Seller as of the Most Recent Balance Sheet Date.

"Most Recent Balance Sheet Date" means March 31, 2022.

"Notice of Disagreement" shall have the meaning ascribed to such term in Section 1.8(b).

"Outstanding Payables" shall have the meaning ascribed to such term in Section 1.8(a).

"Party" or "Parties" shall have the meaning ascribed to such term in the preamble.

"Permit" means any federal, state or local, domestic or foreign governmental consent, approval, order, authorization, permit, concession, registration, franchise, license or similar right.

"Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Entity or other entity.

"Pre-Closing Period" shall have the meaning ascribed to such term in Section 4.1.

"Pre-Closing Tax Period" shall have the meaning ascribed to such term in Section 5.12.

"Post-Closing Lease" shall have the meaning ascribed to such term in Section 1.7(b)(i)(D) and as set forth on Exhibit D.

"Post-Closing Obligation Costs" shall have the meaning ascribed to such term in Section 5.14.

"Post-Closing Statement" shall have the meaning ascribed to such term in Section 1.8(a).

"Purchase Price" shall have the meaning ascribed to such term in Section 1.5.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment (including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Materials).

"Representatives" shall have the meaning ascribed to such term in Section 5.1.

"Required Consents" shall have the meaning ascribed to such term in Section 1.7(b)(iii).

"Restrictive Covenants Agreement" shall have the meaning ascribed to such term in Section 1.7(b)(viii) and as set forth on Exhibit E.

"Retained Liabilities" shall have the meaning ascribed to such term in Section 1.4.

"[redacted]

"[redacted]

"Seller" shall have the meaning ascribed to such term in the preamble.

"Seller Bank Indebtedness" means the aggregate amount of (i) any obligations of Seller for borrowed money, or with respect to deposits or advances of any kind to Seller, and any prepayment premiums, penalties and any other fees and expenses paid to satisfy such indebtedness, (ii) any obligations of Seller evidenced by bonds, debentures, notes or similar instruments, (iii) any obligations of Seller upon which interest charges are customarily paid (excluding trade accounts payable), (iv) any obligations of others secured by any Lien on property or assets owned or acquired by Seller, whether or not the obligations secured thereby have been assumed, (v) any obligations of Seller under interest rate or currency swap transactions (valued at the termination value thereof), (vi) any amounts owed with respect to drawn letters of credit issued for the account of Seller, (vii) any guaranties or arrangements having the economic effect of a guaranty by Seller of any indebtedness of any other Person, and (viii) any accrued interest or penalties on any of the foregoing.

"Seller Benefit Arrangement" means any plan, arrangement, obligation, custom or practice, whether or not legally enforceable, to provide benefits or compensation for services rendered, including employment or consulting agreements, severance agreements or pay policies, stay or retention bonuses or compensation, executive or incentive compensation programs or arrangements, incentive programs or arrangements, sick leave, vacation pay, plant closing benefits, patent award programs, salary continuation for disability, consulting, or other compensation arrangements, workers' compensation, retirement, deferred compensation, bonus, stock option or purchase plans or programs, hospitalization, medical or disability insurance, life insurance, tuition reimbursement or scholarship programs, any plan within the meaning of ERISA Section 3(3) not listed above (together with plans or arrangements that would be within such meaning if they were not (x) otherwise exempt from ERISA by that or another section, (xi) maintained outside the United States or (xii) individually negotiated or applicable only to one person), any plans subject to Section 125 of the Code, any plan that is qualified under Section 401(a) of the Code and any plan providing benefits or payments in the event of a change of control, change in ownership or effective control, or sale of a substantial portion (including all or substantially all) of the assets of any business or portion thereof, in each case within this sentence with respect to which Seller has or may have any current or future liability (whether with respect to any of its assets or otherwise) with respect to any present or former directors, managers, employees, officers, agents or service providers of Seller or as a result of its affiliation with any other Person under Section 410 of the Code.

"Seller Disclosure Schedule" shall have the meaning ascribed to such term in Article II.

"Seller Employee Indebtedness" means any compensation owed to any current or former employee of Seller, including severance, change of control and similar payment obligations related to the transactions contemplated under this Agreement even if further contingent on a cessation of employment or the provision of additional services, plus any payroll Taxes of Seller attributable to such compensation, together with any interest or penalties thereon.

"Seller Fundamental Reps" means those representations and warranties of Seller set forth in Section 2.1 (Organization and Good Standing), Section 2.2 (Authority), Section 2.3 (No Conflict), Section 2.7 (Taxes), Section 2.17 (Assets) and Section 2.18 (Real Property).

"Seller Indebtedness" means, without duplication, the aggregate amount of (i) Seller Bank Indebtedness, (ii) any obligations of Seller under conditional sale or other title retention agreements, (iii) any obligations of Seller issued or assumed as the deferred purchase price of property or services (excluding obligations of Seller to creditors for goods and services incurred in the ordinary course of business), (iv) any capitalized lease obligations of Seller, (v) any guaranties or arrangements having the economic effect of a guaranty by Seller of any indebtedness of any other Person, and (vi) any accrued interest or penalties on any of the foregoing, in each case, to the extent related to any Acquired Asset or the Business.

"Seller Indemnified Party" or "Seller Indemnified Parties" shall have the meaning ascribed to such term in Section 8.2.

"Seller's Knowledge" means the actual knowledge, upon due investigation, of Phillip M. Dickson, Brett Dickson and Mary Rayeski.

"Taxes" shall have the meaning ascribed to such term in Section 2.7.

"Taxing Authority" shall have the meaning ascribed to such term in Section 2.7.

"Tax Returns" shall have the meaning ascribed to such term in Section 2.7.

"Territory" means the area within 150 miles of Thurston, New York.

"Transaction Costs" means the fees, expenses and disbursements of Seller incurred in connection with this Agreement and the transactions contemplated hereby, including negotiation, legal, travel and due diligence expenses.

"Transfer Taxes" shall have the meaning ascribed to such term in Section 1.9.

"True-Up Period" shall have the meaning ascribed to such term in Section 1.8(a).

9.2 Interpretation. When reference is made in this Agreement to an Article or a Section, such reference shall be to an Article or Section of this Agreement, unless otherwise indicated. The headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any Party. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa. Any reference to any federal, state or local Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." For the purposes of this Agreement, (a) "currently planned" means (i) used, (ii) planned at any time in the prior twelve (12) months to be used or (iii) contemplated by any written development or business plans of the Seller in existence as of the date hereof and/or as of the Closing, in each case, by the Seller and (b) "furnished to the Buyer" means "furnished or made available on the Seller's electronic data room to the Buyer."

ARTICLE X
MISCELLANEOUS

10.1 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly delivered (i) when delivered if personally delivered, (ii) five (5) Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (iii) one (1) Business Day after being sent for next Business Day delivery, fees prepaid, via a reputable nationwide overnight courier service or (iv) on the date of confirmation of receipt (or, the first

Business Day following such receipt if the date of such receipt is not a Business Day) of transmission by facsimile or email, in each case to the intended recipient as follows:

(a) if to the Seller, to

Dickson Environmental Services, Inc.
Leo Dickson & Sons, Inc.
5151 Bonny Hill Road
Bath, New York 14810
Attn: Phil and Brett Dickson
Telephone:607-776-4386
Email: ldsfarms@gmail.com

with a copy to:

Jeffrey E. Squires, Esq.
14 East Pulteney Square
P.O. Box 113
Bath, NY 14810-0113
Attn: Jeffrey E. Squires, Esq.
Telephone: 607-776-2158
E-mail: attysquiresoffice@yahoo.com

(b) if to the Buyer, to

New England Waste Services of ME, Inc.
dba Casella Organics
755 Banfield Road, Suite 201
Portsmouth, New Hampshire 03801
Attn: Patrick Ellis, Director of Strategic Alliances
Telephone: (603) 290-5819
E-mail: patrick.ellis@casella.com

with copies that shall not constitute notice to:

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, VT 05701
Attn: Office of General Counsel

The West Firm, PLLC
Peter Kiernan Plaza
575 Broadway, 2nd Floor
Albany, New York 12207
Attn: Gregory A. Mountain
Telephone: (518) 641-0500
Email: gam@westfirmlaw.com

Any Party to this Agreement may give any notice or other communication hereunder using any other means (including messenger service or ordinary mail), but no such notice or other communication shall be deemed to have been duly given unless and until it actually is received by the Party for whom it is intended. Any Party to this Agreement may change the address to which notices and other communications hereunder are to be delivered by giving the other Parties to this Agreement notice in the manner herein set forth.

10.2 Entire Agreement. This Agreement (including the Seller Disclosure Schedule and the Schedules and Exhibits hereto and the documents and instruments referred to herein that are to be delivered at the Closing) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, with respect to the subject matter hereof; provided that the Confidentiality Agreement shall remain in effect in accordance with its terms until the Closing.

10.3 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of New York, excluding any conflicts or choice of Law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

10.4 Assignment. Neither this Agreement, nor any of the rights, interests or obligations under this Agreement, may be assigned or delegated, in whole or in part, by operation of Law or otherwise by any of the Parties hereto without the prior written consent of the other Parties, and any such assignment without such prior written consent shall be null and void, except that the Buyer may transfer or assign its rights and obligations under this Agreement, in whole or in part, from time to time (a) to one or more of its Affiliates, (b) for collateral security purposes to any lenders providing financing to the Buyer or its Affiliates or (c) to any Person that acquires all or substantially all of its assets; provided that the assignee assumes the obligations of the Buyer arising hereunder from and after the date of such acquisition. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the Parties hereto and their respective successors and permitted assigns.

10.5 Remedies. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one (1) remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction(s) to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled hereunder, at law or in equity.

10.6 No Third Party Beneficiaries. Except as set forth in Article VIII, this Agreement is not intended, and shall not be deemed, to confer any right or remedy upon any Person other than the Parties hereto and their respective successors and permitted assigns, to create any agreement of employment with any Person or to otherwise create any third party beneficiary hereto.

10.7 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties hereto agree that the court making such determination shall have the power to limit the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term.

10.8 Dispute Resolution. EXCEPT AS EXPRESSLY PROVIDED IN SECTIONS 1.8(b) and 1.10, ALL DISPUTES, CONTROVERSIES OR DIFFERENCES WHICH MAY ARISE BETWEEN THE PARTIES HERETO, OUT OF OR IN RELATION TO OR IN CONNECTION WITH THIS AGREEMENT, SHALL BE FINALLY SETTLED BY BINDING ARBITRATION IN NEW YORK IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION THEN IN EFFECT, BEFORE A PANEL OF THREE (3) ARBITRATORS, IN AS EXPEDITED A PROCESS FOR WHICH THE RULES MAY THEN PROVIDE. THE AWARD RENDERED BY THE ARBITRATOR(S) SHALL BE FINAL AND BINDING UPON THE PARTIES, AND JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF; PROVIDED, HOWEVER, THAT THE LAW APPLICABLE TO ANY CONTROVERSY SHALL BE THE LAW OF THE STATE OF NEW YORK, REGARDLESS OF PRINCIPLES OF CONFLICTS OF LAWS. IN THE EVENT OF ANY ARBITRATION PROCEEDINGS HEREUNDER, EACH PARTY AGREES TO BEAR ITS OWN REASONABLE FEES, COSTS AND EXPENSES IN CONNECTION WITH SUCH PROCEEDINGS, PROVIDED THAT, UPON THE CONCLUSION OF ANY SUCH ARBITRATION PROCEEDING, IN ADDITION TO ANY AWARD GRANTED BY THE ARBITRATOR(S), THE PREVAILING PARTY SHALL HAVE ITS REASONABLE FEES, COSTS AND EXPENSES REIMBURSED BY THE OTHER PARTY. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY OR LITIGATION. IN LIEU OF LITIGATION AND JURY TRIALS, EACH OF WHICH IS EXPRESSLY WAIVED, THE PARTIES HEREBY CONFIRM THEY HAVE EACH ELECTED TO USE ARBITRATION TO RESOLVE ANY AND ALL DISPUTES HEREUNDER.

10.9 Counterparts and Signature. This Agreement may be executed and delivered in counterparts, and by the different Parties in separate counterparts, each of which when executed will be deemed to be an original, but all of which taken together will constitute one and the same agreement. This Agreement may also be executed and/or delivered by facsimile, .pdf transmission or other electronic means, including, without limitation, by any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com.

10.10 Disclosure Schedules. The Seller Disclosure Schedule shall be arranged in sections corresponding to the numbered sections contained in Article II and in such a way that it is reasonably apparent which representation and warranty in such section such disclosure is intended to qualify and the disclosure with respect to a representation and warranty contained in Article II shall qualify any other representations and warranties in Article II to the extent that it is reasonably apparent on the face of such disclosure that it also qualifies or applies to such other representations and warranties.

[*Remainder of Page Intentionally Left Blank.*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date first written above.

SELLER:

DICKSON ENVIRONMENTAL SERVICES, INC.
a New York corporation

By: _____
Phillip M. Dickson
Authorized Representative

LEO DICKSON & SONS, INC.
a New York corporation

By: _____
Phillip M. Dickson
Authorized Representative

BUYER:

NEW ENGLAND WASTE SERVICES OF ME, INC., dba CASSELA ORGANICS
a Maine corporation

DocuSigned by:
By: Robert Cappadona
734735410F2E64F0...
Robert Cappadona
Vice President

Receipt of the Deposit, subject to collection, is hereby acknowledged and the undersigned agrees to act as the Escrow Agent in accordance with the provisions of this Agreement.

ESCROW AGENT:

JEFFREY E. SQUIRES, ESQ.

By: _____
Jeffrey E. Squires, Esq.

Address for notices:
14 East Pulteney Square
P.O. Box 113
Bath, NY 14810-0113
Attn: Jeffrey E. Squires, Esq.
Telephone: 607-776-2158
E-mail: attysquiresoffice@yahoo.com

Appendix B

MEMORANDUM OF LEASE AGREEMENT

This **MEMORANDUM OF LEASE AGREEMENT** (this "Memorandum"), dated as of July 21, 2022 (the "Effective Date"), is by and between **DICKSON LAND HOLDINGS, LLC**, a New York limited liability company with an address of 5226 Bonny Hill Road, Bath, New York 14810, and **LEO DICKSON & SONS, INC.**, a New York corporation with a principal place of business located at 5226 Bonny Hill Road, Bath, New York 14810 (hereinafter collectively and individually referred to as the "Landlord"), and **NEW ENGLAND WASTE SERVICES OF ME, INC., d/b/a CASELLA ORGANICS**, a Maine corporation with a principal place of business located at 25 Greens Hill Lane, Rutland, Vermont 05701 ("Tenant"). (Landlord and Tenant are also hereinafter referred to individually as a "Party" and collectively as the "Parties").

Landlord and Tenant hereby acknowledge the following:

1. Landlord. The name of Landlord is Dickson Land Holdings, LLC, a New York limited liability company with an address of 5226 Bonny Hill Road, Bath, New York 14810, and Leo Dickson & Sons, Inc., a New York corporation with an address of 5226 Bonny Hill Road, Bath, New York 14810.

2. Tenant. The name of Tenant is New England Waste Services of ME, Inc., d/b/a Casella Organics, a Maine corporation with a principal place of business located at 25 Greens Hill Lane, Rutland, Vermont 05701.

3. Lease; Property. Landlord and Tenant have entered into that certain Lease Agreement, dated as of July 21, 2022 (the "Lease"). Pursuant to the Lease, Landlord leases to Tenant certain real property, and the improvements located thereon, situate in the Town of Thurston, County of Steuben, State of New York, as more particularly set forth in Exhibit "A" attached hereto and incorporated herein by reference (the "Property").

4. Term. The initial term of the Lease commences on the Effective Date and continues thereafter for a term of ten (10) years (the "Initial Term").

5. Renewal Options. The Lease shall, upon expiration of the Initial Term and upon expiration of each of the first two (2) Renewal Terms, automatically renew for a successive terms of five (5) years (each, and collectively, the "Renewal Term"), unless Tenant shall serve the Landlord with prior written notice of termination of the Lease at least ninety (90) days prior to the end of the Initial or applicable Renewal Term ("Term").

6. Conflicts; Memorandum. In the event of any conflict between this Memorandum and the Lease, the provisions of the Lease shall control. This instrument is intended to be only a memorandum of the Lease, and reference to the Lease is hereby made for all of the terms, conditions and covenants thereof. This Memorandum shall not be construed to modify, change or interpret the Lease or any of the terms, covenants or conditions thereof. In all instances, reference to the Lease should be made for a full description of the rights and obligations of the Parties.

7. Counterparts. This Lease may be executed in one or more counterparts, each of which will be deemed an original, but together will constitute one and the same instrument. This Lease may be executed and delivered by any Party by pdf or other electronic mean, including by any electronic signature complying with the US federal ESIGN Act of 2000, *e.g.*, www.docusign.com, and the other Party shall be entitled to rely on such electronic version as evidence that this Lease has been duly executed and delivered by such Party for all purposes.

[Signature Page to Follows]

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

LANDLORD:

DICKSON LAND HOLDINGS, LLC
a New York limited liability company

By: _____
Phillip M. Dickson
President

LEO DICKSON & SONS, INC.
a New York corporation

By: _____
Phillip M. Dickson
President

TENANT:

NEW ENGLAND WASTE SERVICES OF ME, INC., d/b/a CASELLA ORGANICS
a Maine corporation

By: _____
John W. Casella
President and Secretary

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

LANDLORD:

DICKSON LAND HOLDINGS, LLC
a New York limited liability company

By:_____
Phillip M. Dickson
President

LEO DICKSON & SONS, INC.
a New York corporation

By:_____
Phillip M. Dickson
President

TENANT:

NEW ENGLAND WASTE SERVICES OF ME, INC., d/b/a CASELLA ORGANICS
a Maine corporation

By:_____
John W. Casella
President and Secretary

ACKNOWLEDGMENTS

STATE OF NEW YORK)
)
COUNTY OF Steuben) **ss.:**

On the 20th day of July, 2022, before me, the undersigned, a notary public in and for said state, personally appeared **Phillip M. Dickson, President of Dickson's Environmental Services, Inc. and Leo Dickson & Sons, Inc.**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in her/his capacity and that by her/his signature(s) on the instrument, the individual, or the person on behalf of which the individual acted, executed the same.

Valerie L. Havens
Notary Public

VALERIE L. HAVENS
NOTARY PUBLIC #01HA5053845
STATE OF NY, CO. OF STEUBEN
MY COMMISSION EXPIRES DEC. 26, 2025.

STATE OF NEW YORK)
)
COUNTY OF _____) **ss.:**

On the ___ day of July, 2022, before me, the undersigned, a notary public in and for said state, personally appeared **John W. Casella, President and Secretary of New England of ME, Inc., d/b/a Casella Organics**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in her/his capacity and that by her/his signature(s) on the instrument, the individual, or the person on behalf of which the individual acted, executed the same.

_____
Notary Public

Exhibits
Exhibit A – Property

ACKNOWLEDGMENTS

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the ___ day of July, 2022, before me, the undersigned, a notary public in and for said state, personally appeared **Phillip M. Dickson, President of Dickson's Environmental Services, Inc. and Leo Dickson & Sons, Inc.**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in her/his capacity and that by her/his signature(s) on the instrument, the individual, or the person on behalf of which the individual acted, executed the same.

_____
Notary Public

STATE OF VERMONT)
COUNTY OF RUTLAND) ss.:

On the 21st day of July, 2022, before me, the undersigned, a notary public in and for said state, personally appeared **John W. Casella, President and Secretary of New England Waste Services of ME, Inc., d/b/a Casella Organics**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in her/his capacity and that by her/his signature(s) on the instrument, the individual, or the person on behalf of which the individual acted, executed the same.

Sylvia D Jerome
_____
Notary Public

Notary Public State of Vermont
Sylvia D Jerome
My Comm. Expires 01/31/2023
Commission
* No. 1570014203 *

Exhibits
Exhibit A – Property

EXHIBIT A

DESCRIPTION OF PROPERTY

PRMY_OWNER	PARCELADDR	Parcel #
Dickson Land Holdings LLC	Squirrel Tpke	239.00-03-013.000
Dickson Land Holdings LLC	4302 County Route 24	257.00-03-001.000
Dickson Land Holdings LLC	Smith Rd	257.00-03-016.200
Leo Dickson & Sons Inc	Witcus Rd	221.00-01-020.300
Leo Dickson & Sons Inc	Barrett Rd	221.00-01-021.110
Leo Dickson & Sons Inc	Witcus Rd	221.00-01-020.100
Leo Dickson & Sons Inc	Lewis Rd	221.00-01-011.100
Leo Dickson & Sons Inc	Clinton Rd	239.00-01-003.100
Leo Dickson & Sons Inc	Covel Rd	239.00-01-016.120
Leo Dickson & Sons Inc	Shauger Rd	221.00-01-010.000
Leo Dickson & Sons Inc	Bonny Hill Rd	204.00-01-032.000
Leo Dickson & Sons Inc	Bonny Hill Rd	204.00-01-031.000
Leo Dickson & Sons Inc	Bonny Hill Rd	203.00-03-022.000
Leo Dickson & Sons Inc	Bonny Hill Rd	203.00-03-015.000
Leo Dickson & Sons Inc	Bonny Hill Rd	204.00-01-034.000
Leo Dickson & Sons Inc	5229 Bonny Hill Rd	203.00-03-010.000
Leo Dickson & Sons Inc	Bonny Hill Rd	204.00-01-035.000
Leo Dickson & Sons Inc	Bonny Hill Rd	222.00-01-019.000
Leo Dickson & Sons Inc	Bonny Hill Rd	221.00-03-003.000
Leo Dickson & Sons Inc	Bonny Hill Rd	203.00-03-007.110
Leo Dickson & Sons Inc	4831 County Route 25	239.00-01-005.100
Leo Dickson & Sons Inc	Bonny Rd	203.00-01-003.000
Leo Dickson & Sons Inc	Harrison Rd	203.00-03-005.000
Dickson Land Holdings LLC	Yost Rd	239.00-03-012.200
Leo Dickson & Sons Inc	Harrison Rd	203.00-03-001.000
Leo Dickson & Sons Inc	Windfall Rd	203.00-02-017.200
Leo Dickson & Sons Inc	5627 Windfall Rd	203.00-02-018.000
Leo Dickson & Sons Inc	Nash Rd	188.00-01-007.114
Leo Dickson & Sons Inc	Windfall Rd	188.00-01-007.111
Leo Dickson & Sons Inc	6096 Bonny Hill Rd	188.00-01-019.000
Leo Dickson & Sons Inc	Bonny Hill Rd	188.00-01-024.200
Leo Dickson & Sons Inc	Wilbur Rd	203.00-02-012.000
Leo Dickson & Sons Inc	Harrison Rd	204.00-03-029.121
Leo Dickson & Sons Inc.	6294 Harrison Rd	203.00-03-013.000

Appendix B.

CLASS B BIOSOLIDS UTILIZATION AGREEMENT

This Class B Biosolids Utilization Agreement (the "Agreement"), made and entered into as of the 28th day of September, 2022, by and among New England Waste Services of ME, Inc. dba Casella Organics, referred to as "Casella Organics", Brett Dickson, referred to as "Site Operator", and John J Kripp, referred to as the "Landowner", collectively, the "Parties".

PROPERTY DESCRIPTION

Tax Map & Lot Number:

CASELLA ORGANICS OBLIGATIONS

Casella Organics is a party to a contract with a generator of Class B biosolids (the "Generator) to manage a program of land application of Generator biosolids (the "Generator Contract"). Under the terms and conditions of the Generator Contract, the Generator has certified that the biosolids meet appropriate regulatory requirements for Class B biosolids and are of a quality suitable for utilization on agricultural land. The Generator warrants and represents in the Generator Contract that it is in compliance with all applicable statues, rules and regulations of the State of New York State Department of Environmental Conservation (NYSDEC) Part 361 concerning land application of such biosolids.

Casella Organics will provide guidance that ensures that the Parties utilize biosolids in compliance with all applicable statutes, rules and regulations of the State of New York Department of Environmental Conservation Part 361-2.4 & 2.5 concerning land application of such biosolids received by Land Owner from Generator.

LANDOWNER/SITE OPERATORS OBLIGATIONS

The Landowner hereby grant the right to Casella Organics to provide Generator biosolids for land application by Site Operator on property owned by the Landowner ("the Property").

The Landowner hereby authorizes Site Operator to enter upon the Property and spread biosolids.

The Landowner and Site Operator hereby authorize Casella Organics to inspect the spreading of biosolids on the Property, and will allow Casella Organics and personnel of the New York State Department of Environmental Conservation ("NYSDEC") to enter upon the Property and take plant, soil and water samples whenever necessary for evaluation of the effects of the treatment of the soil.

The Landowner hereby represents to Casella Organics that it has sufficient right, title and interest in the Property to enter into this Agreement and to grant permission to Casella Organics and Site Operator to place Generator biosolids on the Property. The Landowner understands and acknowledges that the biosolids may contain trace metals, per-and polyfluoroalkyl substances, volatile organic compounds, semi-volatile organic compounds, or other compounds, the presence of which are beyond the control of Casella Organics. The Landowner assumes all risk associated with the spreading of the biosolids on the Property, and no party shall be liable to any other party for loss of profits or any other consequential, special or indirect damages resulting from the use of the biosolids. Casella Organics make no warranties of merchantability or fitness for a particular purpose nor any other express or implied warranty.

The Landowner and Site Operator agree to defend, hold harmless and unconditionally indemnify Casella Organics and its agents against all liabilities, claims and damages, which Casella Organics may at any time suffer by reason of any accidents, damages, or injuries to any property or persons resulting from Landowner and/or Site Operator performance or negligence while completing obligations under the terms of this Agreement. The Site Operator is responsible for spreading the biosolids and agrees to properly spread biosolids in a timely manner as required by

6NYCRR Part 361-2.4 & 2.5 and in coordination with Casella Organics. Site Operator assumes liability for any damages incurred during the spreading of the biosolids. The Site Operator will be responsible for the harvesting of crops grown after the land application of biosolids.

GENERAL TERMS

All Parties to this Agreement will comply with the following environmental protection guidelines as set by the NYSDEC Part 361, which must be observed when utilizing biosolids.

A. Spreading Setbacks:
(The boundaries of the spreading area at a utilization site must be located a minimum distance from the following specified features)

1.	Setback from abutting property boundary	50'
2.	Setback from Residence, Place of Business or Public Contact Area	500'
3.	Setback from Potable Water Well	200'
4.	Setbacks from Water and State Regulated Wetland	200'
5.	Drainage Swale	25'

B. Site Restrictions & Management Practices

1. Biosolids application is prohibited in areas where groundwater is within 24" of the ground surface.

2. Biosolids application is prohibited in areas where bedrock lies within 24" of the ground surface.

3. Land application is prohibited on land with a slope exceeding 15 percent. Land application of waste with a total solids content of less than 15 percent is prohibited on land with a slope greater than 8 percent, unless applied by subsurface injection along paths parallel to contour lines for the land.

4. Biosolids application in a100-year floodplain must not result in the washout of the land-applied material.

5. Biosolids will not be spread on frozen, saturated or snow covered ground.

6. Biosolids will only be stockpiled in NYSDEC permitted storage sites outlined in Part 361-2.5.

7. Biosolids will be incorporated within 24hrs of application

C. Waiting Periods

1. Public access to land with a high potential for public exposure must be restricted during land application and for at least one year after land application. Public access to land with a low potential for public exposure must be restricted during land application and for at least 30 days after application. Access must be controlled during that period by the use of posted signs. In sensitive areas, the department may require the use of fences and gates or other appropriate means.

2. Food crops with harvested parts that are totally above the land surface must not be harvested for 14 months after land application. Food crops with harvested parts below the surface of the land must not be harvested for 38 months after land application.

3. Food crops grown above the soil with harvested parts that do not touch the biosolids/soil mixture, feed crops and fiber crops must not be harvested for at least 30 days after land application.

4. Animals must not be grazed on the land for at least 30 days after land application.

5. Turf grown on land where biosolids are applied must not be harvested for one year after land application when the harvested turf will be placed on either land with a high potential for public exposure or a lawn.

Casella Organics, the Landowner, and Site Operator hereby agree to comply with the terms of this Agreement and all rules and regulations of the NYSDEC concerning utilization of Class B biosolids.

New England Waste Services of M.E., Inc., dba Casella Organics

Printed Name Mary Kayesk

Title Division Manager

Signature Mary Kayesk

Date 9/28/2022

Landowner

Printed Name John J Kropp

Title owner

Signature John J Kropp

Date 9/28/22

Site Operator

Printed Name Brett Dickson

Title Leo Dickson & Sons, Inc Manager

Signature Brett Dickson

Date 9/28/2022

Appendix C.

CLASS B BIOSOLIDS AND FOOD WASTE LAND APPLICATION AND MATERIAL STORAGE FACILITY PLAN

BONNY HILL ORGANICS

Bath, New York

NYSDEC Permit # 8-4699-00012/00001-0
Solid Waste Facility ID # 51L05
(expires 9/30/2024)

Facility Operations and Management Plan

October 2022
Revised:

Prepared by:
Casella Resource Solutions – Casella Organics Division
755 Banfield Rd., Suite 201
Portsmouth NH 03801

Table of Contents

Introduction

The Bonny Hill Organics (BHO) facility is permitted as a Class B Biosolids (Class B) and Non-recognizable Food Waste (NRFW) land application facility. The facility's operations are permitted under Solid Waste Management Facility Permit ID #8-4699-00012/00001, Solid Waste ID 51L05, currently held by Leo Dickson & Sons, Inc. (LDS), which permits the overall facility for land application. This permit transfers to New England Waste Services of ME, Inc. upon the close of the sale of the Dickson Environmental Services (DES) facility and assets, and the LDS Land and permit. It also has infrastructure to accommodate the composting of stabilized and unstabilized municipal wastewater treatment plant (MWWTP) sludge and NRFW. The compost facility was an operational biosolids and food waste composting facility originally permitted under NYSDEC Part 360 (Permit ID #8-4666-00022/00001 - expired) and will be re-permitted under NYSDEC Part 361-3.2 Composting Facilities as a modification to Permit ID #8-4699-00012/00001. This permit will also be modified to include the construction and operation of a two-acre Class B Biosolids storage pad to facilitate the storage of up to six months of material prior to land application at this and other permitted land application sites. Likewise, a permit modification will be prepared and submitted requesting the siting of a limited service transfer station, allowing the parking, disconnection and interchanging of tractors and trailers to facilitate long-haul movement of materials. These modifications may only be requested once the permit transfer is complete.

The facility is located at 5226 Bonny Hill Road in the Town of Bath, Steuben County, New York. New England Waste Services of ME, Inc. d/b/a Casella Resource Solutions is the entity that owns the real property on which the facility is located, holds a facility permit (to be transferred) for the land application of Class B biosolids and NRFW at this site, and is the Permitted entity upon transfer. New England Waste Services of ME, Inc. d/b/a Casella Resource Solutions (Resource Solutions) is an affiliate of Casella Waste Systems, Inc. based in Rutland, VT. BHO is the operator of the facility that is the subject of this application. Casella Resource Solutions is tasked with ensuring operational quality control and environmental compliance of the land application operations.

1.0 Operations and Facility Access

Daily operations are overseen by New England Waste Services of ME, Inc. (NEWS of ME) d/b/a Casella Resource Solutions in its capacity as the owner/operator and quality control & compliance management provider. NEWS of ME is the entity that owns the real property on which the facility is located, holds a facility permit for the land application of Class B biosolids and unrecognizable food waste at this site, and is the Permitted entity.

The facility will be open for shipping and receiving Monday – Friday 6:30 a.m. to 6:00 p.m., and Saturdays 7:00 a.m. to 3:00 p.m. Sunday deliveries, by appointment only, can be accommodated if staff is available and when scheduled in advance. Handling of biosolids and food waste occur as necessary, governed by the rate of incoming materials.

During closed hours, facility access is controlled through the use of security cameras and locked gates. Inside the facility, the Office, some ancillary buildings, and the LWR building are locked. Buildings and equipment are unlocked only when facility staff is on site.

BHO Land Application Facility has posted signage at the entrance to the facility detailing procedures for checking in at the office, the days of operation, and facility hours. Because all haulers are required to check in, and only permitted materials and approved amendments are accepted at the facility, it is unnecessary to have signs identifying unloading areas. Facility staff directs unloading at all times.

Access roads at the facility are paved or compacted gravel and adequately maintained. There is adequate paved or gravel areas around all structures for the movement of emergency response personnel and equipment.

2.0 Personnel

2.1 Facility Manager

The Facility Manager is part of Casella Resource Solutions' Operations Group and is responsible for oversight of all daily operations associated with the BHO land application facility. This position includes a combination of management, skilled labor, and unskilled labor responsibilities. Responsibilities include customer relations, facility and equipment operations and maintenance, office management, personnel management, budgeting and cost management, recordkeeping and reporting, community relations, environmental and regulatory compliance, safety and health, odor control, and subcontractor supervision. The Facility Manager reports to Casella Resource Solutions' Market Area Manager.

2.2 Equipment Operator 1

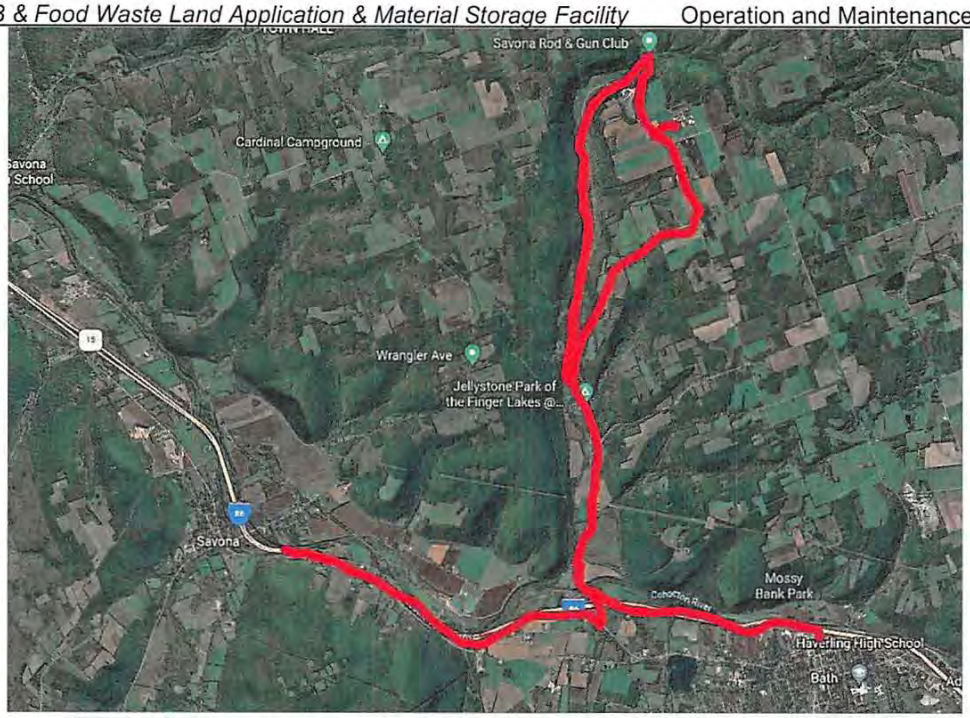
Key responsibilities include operating and maintaining equipment, receiving incoming materials, loading processing equipment with raw materials, moving finished product into storage areas, and loading finished product into trucks for delivery. Assists the Facility Manager in the planning and execution of operational tasks, safe and efficient operations of all heavy equipment, maintaining daily operational records, ensuring proper testing and sampling is carried out according to schedule, management and inventory of all materials on-site, maintaining facility equipment and keeping maintenance records, maintaining facility appearance, and assisting other facility staff. The Equipment Operator 1 is trained and available to operate the processing equipment when necessary. The Equipment Operator 1 reports to BHO's Facility Manager.

2.3 Equipment Operator 2

Key responsibilities include operating and maintaining equipment, receiving incoming materials, loading processing equipment with raw materials, moving finished product into storage areas, and loading finished product into trucks for delivery. The Equipment Operator 2 is trained and available to operate the processing equipment when necessary. Assists the Facility Manager in the planning and execution of operational tasks, safe and efficient operations of all heavy equipment, maintaining daily operational records, ensuring proper testing and sampling is carried out according to schedule, management and inventory of all materials on-site, maintaining facility equipment and keeping maintenance records, maintaining facility appearance, and assisting other facility staff. The Equipment Operator 2 reports to BHO's Facility Manager.

3.0 Delivery/Receiving

Inbound food waste and Class B biosolids travel primarily via I-86 to Babcock Hollow Rd. (CR11) south to Harrison (Fulford) Rd., then left on to Bonny Hill Rd. in Thurston, NY, then turn right on to the site access road. From early winter to mid-spring when the roads are posted, trucks do not use Harrison (Fulford) Rd. and proceed to the start of Bonny Hill Rd. which is just off Babcock Hollow Rd (CR11). All haulers delivering materials to or transporting materials from the Facility must maintain a NYSDEC Part 364 Waste Haulers Permit. Trucks turn off from Bonny Hill Road onto the site access road and proceed down the driveway and onto an on-site truck scale, which is operated from the on-site office (Office). Should the on-site scale not be operable, the driver presents a scale ticket, from a state-certified scale operations, to site operations personnel indicating the weight of material being delivered. The truck driver carries all required paperwork related to the origin of the material. Once weighed, the truck driver presents all required paperwork to office staff before proceeding to the directed tipping area.



Land Application Facility

Incoming loads of stabilized Class B sludge and non-recognizable food waste are received at the facility during normal working hours. The facility is secured by gates at the access points to the property at Bonny Hill Road and Dickson Road. Incoming loads are weighed with the results recorded in BHO's database and printed on the scale ticket. Security cameras are installed for 24 hour monitoring of the Facility. If the on-site scale is not functioning, the inbound trucks are weighed at a certified weigh station and present scale tickets prior to off-loading; a tare weight for the vehicle/trailer combination is required.

Until the Class B storage facility is permitted and constructed, in-bound material (dewatered Class B sludge) is received for land application at Bonny Hill Organics and loaded into spreaders for immediate spreading or at temporary staging areas near the fields used for land application. They remain at the staging area until weather, crop, and soil conditions are appropriate for land spreading. 6NYCRR 361-2.5(b)(12)(i) allows for up to 30 days of temporary stockpiling of Class B biosolids as long as all storage operations and site conditions in 6NYCRR 361-2.5(b)(12)(ii-vii) are met.

To be implemented upon the permit modification approval for a Class B storage facility. To reach the Class B biosolids storage area, trucks drive west past the Office and the Co-gen Building (B3) on the left, turn right and head uphill at the Liquid Receiving and Pump House building (B4), then turn right into the entrance to the Livestock Water Recovery (LWR) building (B5), then turn and back onto the storage pad that is behind the LWR. Drivers are directed to the proper unloading location by site

personnel. Unloading material is visually inspected by facility staff. Any material deemed contaminated or unacceptable is refused. It is the generator's and the hauler's responsibility to properly dispose of any rejected loads. Alternatively, a Class B storage facility may be permitted for a barn leased from Leo Dickson and Sons located at 5151 Bonny Hill Rd.

The biosolids, food waste, stabilized municipal sludge **(for composting, pending permit modification)**, and bulking material are typically delivered in up to 12-34 ton roll-off trucks or self un-loading trailers with tractors. Incoming truck traffic generally averages no more than 12 trucks per day. Outgoing traffic varies depending on the time of year and scheduled material deliveries.

Incoming trucks carrying permitted municipal sludge and food waste discharge loads through the north side of the Residuals Receiving Building (B2). All municipal sludge and food waste are discharged directly into the receiving building. **No municipal sludge will be received until the permit has been amended to reinstitute the composting operation.** No waste material is allowed to be intentionally discharged to the ground outside of the containment pad or covered receiving building during tipping. Any material delivered outside of the building is immediately cleaned up and deposited in the building.

To reach the sludge and food waste tipping area, trucks drive west past the Office, pull north perpendicular to the Residuals Receiving Building (B2), and then back up south into the proper discharge opening in the B2 Building, as directed by site personnel. Bay 1 is for receiving liquid residuals, while Bays 2 and 3 receive dewatered residuals (cake or dried solids). Material unloading is visually inspected by facility staff. Any material deemed contaminated or unacceptable is refused and reloaded for removal from the facility. It is the generator's and the hauler's responsibility to properly dispose of any rejected loads. To reach the bulking material tipping area, trucks drive west past the Office and the Residuals Receiving Building (B2), and then turn left just past the Manure Solids Separation Building (B1) and then left again to the road between the Compost Building (B6) and the Residuals Receiving Building (B2). Site personnel direct the driver to where the bulking materials are to be unloaded.

Unauthorized Waste

In the event a load of unauthorized waste is received at the facility, it is segregated and sent back to the generator or disposed of at an appropriate permitted Solid Waste Management Facility (SWMF). If any unauthorized materials are off-loaded and contaminate permitted waste, the entire amount of contaminated waste is removed for proper disposal. NYS DEC is notified of the incident and the corrective action. The cost of disposal is borne by the generator and/or the hauler.

4.0 Handling/Storage

Land Application Facility

Materials received for land application (Class B biosolids) are stored at temporary staging areas near the fields used for land application. This material may be pushed up to increase storage capacity. In the event of odor generation, wood ash, sawdust, or compost is used to cover the stockpile until it can be land applied.

In the event a sludge is received that does not meet Class B requirements, it is discharged into Bay 3 of the Receiving building (B2), where lime will be added and mixed in. Sufficient lime will be added to raise the pH of the sludge to pH 12 and to maintain that pH for 2 hours.

Bonny Hill Organics owns 110 acres of agricultural land that has been permitted for land application of Class B biosolids and non-recognizable food waste. BHO also has leased, for its exclusive use, another 2200+ acres of land from Leo Dickson & Sons, Inc. and Dickson Environmental Services, Inc. for land application of biosolids and NRFW. Material loading rates for the fields used are determined by a certified nutrient management planner. Prior to applying the permitted wastes to the agricultural land, spreading sites are flagged to identify setbacks and appropriate storage locations, if solids are being applied.

At the time of land application, the contract land applier will pick up stabilized Class B biosolids from the field stockpile and load their spreading equipment. No more material than is required for the adjacent fields is delivered to the field stacking site. The land applier applies Class B biosolids at a rate (or rates) determined by a certified Nutrient Management Planner (CNMP). The applied material is incorporated into the soil by a chisel plow within 6 hours.

Dewatered NRFW destined for land application is discharged to Bay 2 of B2. The contract land applier then loads spreaders from this Bay and spreads the material on permitted fields, again according to CNMP recommendations. The applied material is incorporated into the soil by a chisel plow within 24 hours.

Liquid and dewatered NRFW may also be discharged into Bay 1 of B2, where it is mixed for discharge into the covered digester lagoon. Liquid NRFW may also be discharged into B4, the Liquid Residuals Receiving Building.

Class B

To be implemented upon the permit modification approval for the Class B storage facility, application to be submitted after permit transfer is complete. Prior to land application, Class B biosolids are stored in the area designated for Class B storage, a 2-acre paved, covered storage pad located next to the LWR Building (B5) or the leased barn storage at Leo Dickson & Sons, Inc. at 5151 Bonny Hill Rd. The area

has a capacity for up to 6 months storage. Pursuant to NYS DEC section 361-2.7, the storage pad is completely emptied, cleaned, and inspected once every 12 months. The Region 8 NYS DEC is notified at least 5 business days before the cleaning operation is begun. Any damage or deterioration revealed by this inspection is repaired before the storage facility resumes receiving waste.

5.0 Certifications

Class B

Biosolids that are land applied must be certified as a Class B biosolids product before they may be land applied. They must meet both Process to Significantly Reduce Pathogens (PSRP) and Vector Attraction Reduction (VAR) requirements. The exact methods for PSRP and VAR compliance are explicitly identified in the certification statement.

Example certification statement

I, Biosolids Preparer, certify, under penalty of law, that the Class B pathogen requirements in US EPA section 503.32(a) and the vector attraction reduction requirements in US EPA section 503.33(b)(5) have been met. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine the pathogen requirements and the vector attraction reduction requirement have been met. This material met the PSRP requirements by being anaerobically digested or lime-stabilized.

Details – PSRP Method and VAR Method

I am aware that there are significant penalties for false certification including the possibility of fine and imprisonment

6.0 Land Application & Storage Program Permit Requirements

In order for the facility to operate compliantly, it adheres to specific and general conditions contained in its current permit, Solid Waste Management Facility Permit ID #8-4699-00012/00001, Solid Waste ID 51L05. These permit conditions are incorporated in the O&M Plan for ease of access. Conformance with these conditions ensures compliance with the operational requirements found in NYSDEC Chapters 360 and 361 as they pertain to this type of operation.

6.1 Permit-Specific Conditions

The following permit conditions must be adhered to:

GENERAL APPLICABILITY

Conformance with Plans - The operation of this facility is consistent with information provide in the permit application, facility plans, and any support documents that were provide with the permit application.

Authorization – The facility is authorized for:

- Storage, staging and land application of food processing waste
- Staging and land application of stabilized biosolids
- Receipt of those materials listed in Permit Attachment A
- Land application of those materials on approved fields listed in Permit Attachments B-1, B-2 and B-3.
- Staging of Class B biosolids and food wastes at land application sites
- Storage of liquid wastes approved in Attachment C (note: manure is no longer managed at this facility. The permit will be modified to reflect this change).

Compliance with Other Requirements – Bonny Hill Organics recognizes that its operating permit is not the only source of operational requirements. BHO follows all rules and regulations at the Federal, State and local levels as they pertain to our operations.

Adverse Impacts – Bonny Hill Organics endeavors to have no adverse impacts on the environment and/or human health. To be proactive, BHO has developed and implemented a spill control plan for its operational staff and subcontract haulers to address uncontrolled releases (spills) of the residuals we manage as wells as petroleum releases from our on-site rolling stock or our haulers over-the-road equipment. An element of the spill plan is notification. BHO notifies the Region 8 Spill Engineer in the event of an uncontrolled release:

- Verbally within 2 hours of discovery
- In writing within 7 days of discovery
- Response numbers: 585-226-5436 (regular hours); 800-457-7362 (24 hr)

Operation Controls – One of the primary potential sources of odor is ammonia. Ammonia gas is highly volatile and dissipates fairly rapidly, so off-site impacts are highly unlikely, given the remoteness of the site. The other significant source is the sewage smell of the inbound sludges. This can be mitigated by quickly land applying new biosolids and food waste as soon as practicable. The facility maintains a complaint log and incident response system. Complaints are investigated immediately, an incident report form is filled out, and, if necessary, corrective actions are developed and implemented. Stored materials generate minimal, localized odors. This is because the material is stabilized prior to being received. There is potential for odor release when the material is used on farm, but this is not unlike other organic agricultural

amendments (e.g., manures). The impacts can be minimized by communicating with neighbors, incorporating the material as quickly as possible, and timing the application so that the odors can dissipate quickly.

Bonny Hill Organics is committed to controlling odors its operations may create and vectors these odors may attract. BHO has developed an odor control plan to mitigate odor impacts of the biosolids and food waste land application facility. The control plan has 3 major elements: (1) description of land applied materials, (2) short-term and long term strategies for managing odor, and (3) on-going program evaluation

(1) Land Application Materials

The materials that are approved for beneficial use at the Bonny Hill facility are described in section 1.0 of this document and in attachment A of the facility permit.

(2) Strategies to Control and Manage Odors

The intent of the program is to minimize the impacts of product odor on the public, reduce odor complaints, and improve public acceptability.

Short-term Strategies

Short-term odor management of land application materials involves identifying product handling and disposal options. BHO classifies land application sites for odor sensitivity based on proximity to residences and other neighbors, population sensitivity, odor complaint history, ability to incorporate, and topography. Extremely odorous materials are applied to more remote, less populated sites to the extent practicable. For excessive odor levels with odor complaints being lodged, point of application treatment (see below) is employed. If complaints persist, BHO has the contract land applier more aggressively incorporate the material or relocate the spreading operation.

Long-term strategies

Several options are available to reduce odors during the land application process or at the storage locations. ***Point of application:*** Odor neutralizers and odor masks, systemic or topical, can be applied to the materials or around the area of spreading to reduce the intensity and/or the objectionable nature of the odors. ***Point of Storage:*** Materials to be spread can also be treated at the point of storage, prior to delivery to the land application fields. Treatments may include chemical (deodorizers, oxidizers), biological (microorganisms), and physical (aeration, filtration) options. ***Incorporation:*** Materials can be incorporated in a timeframe that is shorter than required by permits. This is encourage for the most malodorous materials or the most sensitive land application sites. ***Scheduling:*** BHO pays attention to public and private activities in proximity to its operations and endeavors to avoid spreading activities prior to and during these events. BHO and its subcontract land applier accommodate requests for operation suspension as much as is practicable. ***Complaint Response:*** BHO maintains an odor complaint logging program whereby impacted properties can call the office

(607-438-0091) and speak to office staff during operating hours or leave a detailed message after hours. Complainants may also call the NYS DEC Region 8 office. Bonny Hill Organics respond immediately upon notification and takes the appropriate actions to mitigate the issue if that is practical or necessary. Those actions may include moving spreading operations, temporarily suspending spreading operations, or utilizing additional incorporation. ***Weather***: BHO maintains and monitors an office weather station. Staff uses that data to support timing and location of spreading activities.

(3) Odor Control Program Ongoing Evaluation

This plan is reviewed at least annually and revised as necessary. Plan effectiveness is based on number of complaints received, severity of confirmed odors at the receptor sites, and an ongoing evaluation of the odor quality of the various land applied materials. Any escalation of these factors warrants plan (and response) modifications.

Non-compliance – Bonny Hill Organics expects to operate in compliance at all times. If the Department identifies any operational deficiencies at BHO, staff begins correcting, abating, or remediating those non-compliance items upon notification (verbal or written). When possible, BHO works with the Department to select and implement the appropriate corrective measures. All non-compliance instances, along with BHO's corrective responses, are reported to the Department within 48 hours of notification of the non-compliance, to the greatest extent practicable.

Endangered Species – There are no identified endangered or threatened species, or designated critical habitats connected to the fields used by Bonny Hill Organics for land application of residuals. If species or habitat are found in the future, BHO will suspend use of those specific fields.

Complaint Handling – Bonny Hill Organics responds to all complaints day received at the facility or forwarded to the facility by the Department by the end of the they are received, if received during working hours. Otherwise to receive a response the following day. Responses and corrective actions are reported to the Region 8 staff within 48 hours of being received by the facility.

Amendments/Modifications – Facility operational amendments or modifications, including changes to engineering reports, plans, and specifications, cannot be undertaken without written Department approval.

DEC Addresses – All submissions required under the permit are sent in a timely manner, to the Regional Materials Management Engineer, NYSDEC, 6274 East Avon-Lima Road, Avon, NY 14414, and the Bureau of Waste Reduction and Recycling, NYSDEC, 625 Broadway, Albany, NY 12233.

Notification of Conditions Subject to Change – Conditions contained in the permit and listed in this plan may change if they become inconsistent with future modifications of the rules and regulations of the New York State Department of Environmental Conservation that pertain to the operations of this facility.

LAND APPLICATION OPERATIONAL REQUIREMENTS

Weather Restrictions – Land application is suspended if the ground is water-saturated or during a heavy rainfall. Permitted storage and disposal facilities are used for material management until conditions allow for resumption of land application.

Snow Covered or Frozen Ground – Direct land application of approved dewatered biosolids is prohibited on frozen or snow covered ground. Direct land application of approved dewatered food processing is prohibited on frozen or snow covered ground, except on those fields listed in Permit Attachment B-3. If any of those fields were not plowed prior to the ground freezing, the fields receiving food waste are perforated using a tractor-drawn aerator before the end of the day on which the waste was applied. Liquid residuals may be directly injected on those fields listed in Permit Attachment B-3.

Incorporation – Applicator incorporates all food waste within 24 hours of land application. All liquid waste must be applied by direct injection. Applicator must meet the performance criteria listed in Permit Attachment D. This does not apply to the contents of the irrigation pond (P4) which may be spray irrigated using the facility's irrigation system. Class B biosolids are incorporated within 6 hours after land application.

Nutrient Uptake – Crops are grown on all fields receiving waste to facilitate crop uptake. Application rates are determined by a certified Nutrient Management Planner or Crop Advisor based on the crop being grown and must account for all materials, including conventional fertilizers, in the setting of waste application rates.

Soil Conversation/Agricultural Management – The fields used by Bonny Hill Organics are maintained and operated using best management practices to minimize runoff and erosion, to prevent impacts to nearby wetlands and surface waters. This includes the use and maintenance of vegetated buffer strips.

Dikes and Berms – At the Department's discretion, BHO may be required to use berms or dikes, or other pollution prevention devices or techniques to control runoff and erosion.

Flood Plain - Land application in a 100-year floodplain cannot result in the washout of applied materials. Land application is prohibited in any floodplain designated as a floodway pursuant to 6NYCRR Parts 502. Bonny Hill Organics, to the extent possible, generally avoids land application in these areas.

Water Contravention – BHO uses loading rates and land application practice to prevent contravention of groundwater and surface water quality standards provided in 6NYCRR Parts 700-705.

WASTE STORAGE

Liquid Waste - Bonny Hill Organics uses physical and biological treatment methods on the contents of the uncovered ponds (P1 – P4) to manage odor from the stored materials. This includes aeration and the activity of naturally-occurring microorganisms.

Solid Waste - Bonny Hill Organics manages solid waste residuals as follows:

- Overnight storage and treatment of solids occurs in only areas covered by a roof or a tarp.
- Temporary staging of food processing waste solids does not exceed 24 hours.
- Dewatered biosolids are not stored overnight at temporary staging locations.
- Lime or other acceptable additives are used as needed for odor control.
- Temporary staging sites are located and managed to minimize stormwater run-on. If necessary, any leachate generated is captured and applied on the licensed fields.

SAMPLING REQUIREMENTS

Waste Sampling

Liquids in P2, P3, and P4 are sampled and analyzed per 6NYCRR Parts 360 and 361.

Liquids and non-recognizable food wastes listed in Attachment A that are received at the facility are sampled and analyzed annually for the 6NYCRR 361-3.9 Table 1 parameters.

Soil Sampling

Soil sampling and testing is conducted as prescribed in 6NYCRR Parts 360 and 361. For each field receiving material, sampling is no less frequent than once every 3 years. Fields not receiving regulated wastes for 3 years or more are not sampled.

REPORTING AND RECORDKEEPING

All facility monitoring, recordkeeping, and reporting are completed in conformance with 6 NYCRR Part 361-2.5.

Additionally, a weekly land application activity report, covering the activities of the previous week is prepared and submitted by e-mail to the Region 8 Division of Materials Management Engineer and designated Region 8 staff. This report is to be submitted by

Monday at 4:45 PM. Copies are maintained at the site and available for DEC staff review upon request. Contents include:

- Weather condition for the previous seven days
- Freeboard of all liquid waste storage structures
- List of all biosolids and food processing waste received
- A list of all land-applied waste
- A copy of any analytical reports received

Annual Report

An annual report, on forms provided by the Department, is submitted by March 1 of the following year.

Environmental Monitor

Bonny Hill Organics funds an on-site environmental monitor, who is an employee of the Department. The monitor is responsible for compliance monitoring, inspections and compliant response, and pollution prevention assurance. As part of an upcoming permit modification request, we will propose reducing this service and supplement it with our own Compliance staff. Casella has significant experience and expertise in environmental oversight, compliance and management and has demonstrated that competency throughout its footprint.

6.2 General Operating Conditions

The operation of the Bonny Hill Organics is compliant with the operating conditions required under NYSDES Sections 360.19, 361-2.5, and 361-2.7. Specifically:

360.19

- **Water Protection -** BHO operates its land application facility in a manner that prevents waste from being deposited into surface waters or groundwater. This is achieved through proper transporting, handling, storing and beneficially using these materials. This includes hauling in appropriate water tight containers, delivery to approved storage or staging sites, control of those materials while stored, and proper land application practices (agronomic loading rates, spreading on approved fields, material incorporation, observance of spreading setbacks). This is addressed in Permit Attachment E (note: references to manure are no longer applicable). BHO minimizes the generation of leachate by storing residuals in covered storage or in liquid storage ponds with physical and biological treatment.

- **Waste Control** – BHO only receives and manages wastes that have received approval by the Regional NYSDEC office (Permit Attachment A) and have been contracted for disposal by the generator with Casella. To ensure that only those materials are managed, material is only received and offloaded

during business hours. A sign at the facility entrance has those hours posted. Appropriate generator paperwork and scale tickets are required before wastes can be off-loaded at the facility. As wastes are off-loaded, facility staff are on hand to observe the contents of the load. If the load is contaminated or otherwise unacceptable or unauthorized, it is reloaded and removed from the site to be properly disposed of by the generator or the hauler. If it cannot be reloaded immediately, it is segregated and later removed by a licensed waste hauler and disposed of at the generator's expense.

- **Operations and Maintenance** – Bonny Hill Organics performs all operations and maintenance functions in accordance with 6NYCCR Part 360.16(c)(4); i.e. incorporated into this facility manual. Roadways and yard areas are sufficient for efficient traffic movement and material handling. These features are maintained for all weather access. Tracking of materials is minimized by proper unloading of materials into appropriate storage facilities, and area and vehicle clean up after dumping. Storage is adequate to handle materials received daily. Handling and work areas are properly maintained to minimize leachate generation. In general, the working areas of the facility are relatively flat so that erosion and ponding is minimal. Sloped areas are either vegetated or hard-packed travel ways. All equipment and machinery necessary for proper material handling, processing and management are maintained so that they are reliably available to perform their functions at all times. Vehicles containing waste entering or leaving the facility must have their loads covered with mesh or a tarp while traveling on public roadways. If the facility has an unexpected shutdown that lasts more than 24 hours, BHO will immediately notify the Department about the incident, describing what happened, what the management options are, and what corrective measures are being undertaken.

- **Routine inspection** – Bonny Hill Organics staff conducts a routine inspection of its facility and operations on a daily basis. A more comprehensive inspection is conducted monthly. Daily inspections entail routine review of equipment malfunctions, facility wear and tear, operational errors, and any safety or environmental incidents. The monthly inspection involves a comprehensive review for the facility's compliance with all elements of this Operations and Maintenance manual.

- **Confinement of waste** – Materials received by Bonny Hill Organics for land applications and/or processing are confined to areas designated for materials handling. Any waste generated by these activities are collected and properly disposed of in onsite dumpsters and are then transported to licensed solid waste management facilities (landfills) for ultimate disposal. Fugitive debris and trash are minimized by routine policing of the site to collect those materials; this occurs, at a minimum, on a daily frequency.

- **Dust control** – Bonny Hill Organics controls dust to the best practicable extent at its facility and at spreading locations. The roads over which materials are transported to spreading locations are owned by the Town of Thurston and therefore dust control for those roads is the Town's

responsibility; however, Bonny Hill Organics notifies the Town when dust is an issue. There is minimal concern for dust generation at the spreading locations because of the materials being applied. Dust generation at the facility site is also minor and doesn't cause off-site issues because of its remoteness. Traffic is limited and slow in unpaved locations, and speed is controlled to lessen dust impacts further. We routinely review dust complaints, if received, and modify dust control responses as needed. All complaints, responses and management changes are documented.

- **Vector control** – The best way to control vectors is to control malodors (see Odor control below). Extermination services will be contracted should odor control not be completely successful in suppressing vectors.

- **Odor control (described in detail in section 5.1 Permit-specific conditions)** – Bonny Hill Organics is remotely located and should have little impact from odors off-site. Nevertheless, we operate the facility to minimize the generation of odors from our biosolids and non-recognizable food waste handling and land application, and their off-site transmission. Odor complaints are more likely to be generated by land spreading the approved materials at our spreading locations. BHO works closely with its subcontract land appliers to ensure that they closely follow best management practices (BMPs) to minimize impacts to abutters. This is primarily through strict adherence to incorporation requirements but may also include heightened sensitivity at sites with multiple neighbors and/or close proximity to those properties, especially around certain times of the year (holidays, graduations, weekends). In addition, we, to the greatest possible extent, direct more odorous materials to more remote locations. Even in these situations, timely incorporation is paramount.

  Operationally, BHO tries to minimize odors by holding materials for the shortest practicable time and storing materials properly (solids - under a roofed structure or tarped, liquid – in lagoons that may be aerated). Furthermore, we work with our biosolids generator customers to ensure that we are managing primarily stabilized biosolids which have reduced odor generation potential.

  If odor complaints are received, BHO initiates an incident reporting response that documents the event, investigates the cause, and develops and implements corrective action. Corrective actions include finding alternative sites, more immediate or more aggressive incorporation, use of chemical odor neutralizers or odor masks, or additional material stabilization. A summary of odor complaints and BHO's responses are provided to the Department weekly and summarized in the annual report.

  The odor control plan is reviewed annually or when there are operational changes at the facility or with the land application process and revised as necessary.

- **Noise** – Bonny Hill Organics has limited noise impacts on abutting properties due to its remoteness. BHO operates equipment that is generally associated with farm and construction works, so the noise generated is consistent with the area where the facility is located. BHO maintains work hours that are consistent with the farming area in which the facility is located. Finally, equipment operation, which generally includes front-end loads and trucks hauling feedstocks, does not occur uninterrupted throughout the day, but only when materials are being unloaded from trailers or loaded onto spreaders.

- **Recordkeeping and reporting (described in detail in section 5.1 Permit-specific conditions)** – Bonny Hill Organics collects and maintains all data as required by NYSDEC rules and the existing land application permit. This information includes but is not limited to daily logs of the permitted materials received (type, quantity, date, generator, final destination of wastes, products or recyclables), routine inspection logs (date and time, inspector name, description of inspection, date and description of any corrective or remedial actions), compliance monitoring results, and documentation of training programs, schedules, and certifications. An annual report is submitted to the Region office and the Central Office by March 1 of the year following the reported year.

- **Personnel training** – Bonny Hill Organics employees have skill set appropriate for managing the operation and the types of materials it handles and are provided training to maintain and enhance those skills. Training may be conducted in-house or delivered by a third-party trainer.

- **Emergency response** – Bonny Hill Organics maintains and implements emergency response procedures to adequately manage emergencies including fires, explosions, natural disasters, and spills of waste materials and petroleum products. BHO maintains a list of emergency contact numbers that is located at accessible spots throughout the facility. BHO reviews and revises, as necessary, its emergency response plans on an annual basis.

- **Tank requirements** – All petroleum storage tanks at Bonny Hill Organics are constructed of materials compatible with their contents. They are equipped with overfill protection and secondary spill containment. Waste storage tanks and lagoons (ponds) are routinely checked for leaks and overall integrity and are emptied and comprehensively inspected annually. Any leaks or other deficiencies identified are repaired before the storage unit(s) is (are) placed back in service. Lagoons (ponds) are maintained with no less than a two (2) foot freeboard.

361-2.5

- **Pollutant limits** – Class B biosolids that are land applied do not exceed the maximum metals concentrations listed in 6 NYCRR Part 361-3.9 Table 6 or any other pollutant standard that may supersede this Table. Class B biosolids are routinely tested for these metals as well as nutrients and physical characteristics (6 NYCRR 361-3.9 Table 1) according to the

frequency listed in 6 NYCRR Part 361-3.9 Table 3, which is based on the dry tons of sludge generated by the WWT facility annually.

- **Land application criteria – General waste** – BHO requires its landspreading subcontractors to adhere to the Department's requirements regarding location and operations. Horizontal setbacks from the land application area perimeter, at a minimum, are in conformance with the values found in the table in 361-2.5(b). Land application is prohibited in the following areas or where the following conditions exist:

  - where the water table at the time of spreading is less than 24" from the soil surface
  - for tiled field, the top of the tile must be at least 24" from the surface and must discharge at least 200' from potable wells, surface water, and state-regulated wetlands
  - where bedrock is less than 24" from the soil surface
  - where the land slope exceeds 15%
  - if the waste solids are less than 15%, where the land slope exceeds 8%
  - in special flood hazard zones, unless approved by the Department
  - on water-saturated ground
  - during heavy rainfall
  - snow-covered or frozen ground, unless directly injected

  Hydraulic loading is limited to 16,000 gallon per acre per 24 hr period or less. The applied waste must not exceed the agronomic nutrient needs of the crops grown or the amount necessary to raise soil pH to an optimal level for the crops grown. Application rate is decreased if other sources of fertilization are used concurrently. Land application only occurs on soils that can support robust vegetative growth; use of active farmland demonstrates that soil quality characteristic. In general, waste must be incorporated within 24 hours of application; biosolids must be incorporated within 6 hours of application (this also achieves the vector attraction reduction requirement). Appropriate soil conservation and agricultural management practices are utilized to minimize stormwater runoff and soil erosion.

  Temporary field stacking of biosolids prior to land application is allowed provided:
  - the storage period does not exceed 30 days
  - the site is on the fields where the residuals will be applied and the amount stored does not exceed the amount required for that site
  - the storage site conforms to the same setbacks and prohibitions as the land application sites
  - the storage area is on land with slopes not exceeding 3%
  - the residuals are stackable to a height of 3 feet and the stack maintains its shape
  - the stockpile is shaped to shed precipitation
  - any runoff from the storage site is held on the application site
  - the stockpile site is reseeded after the residuals are removed

- **Land application criteria – Biosolids-specific** – In addition to the general land application requirements, BHO requires that sites receiving biosolids conform to the following criteria:
  - the soil pH is adjusted to 6.0 s.u. or higher prior to spreading
  - if lime-stabilized biosolids are land applied, the soil pH must be 6.0 s.u. or higher after spreading is complete
  - the application does not adversely impact threatened or endangered species or its designated critical habitat; use of active farmland is a demonstration of compliance with this criteria
  - annual cadmium application rate does not exceed 4.5 pounds per acre
  - approved vector attraction reduction and Class B pathogen reduction methods are employed (361-2.5(d)(2))
  - public access to the sites is restricted for at least one year after application
  - no food crops for human consumption are grown on this sites
  - no animals are grazed on this sites for at least one month after application
  - no turf is grown on any of these sites

- **Monitoring, recordkeeping, and reporting** – Bonny Hill Organics collects appropriate and sufficient data to ensure that the proper levels of nutrients are being applied at its spreading sites and that no adverse environmental impacts result from beneficial use of these materials. Specifically, each source of Class B biosolids is tested according to the requirements discussed above in the **Pollutant Limits** section.

  As described previously, BHO employs an environmental monitor who oversees operations and compliance for the land application program. BHO also provides a weekly spreading log to the Department, regardless of whether any spreading activities occurred.

  BHO reports annually by March 1 of the year following the year the land spreading activities occurred. This report contains:
  - Location and acreage of fields used for land application
  - Crop(s) grown
  - Total quantity of waste applied to each field
  - Calculations showing hydraulic loading and nutrient loading for the fields used (from the Certified Nutrient Management Planner)
  - All analytical results, including laboratory reports, received by BHO as required by the land application permit
  - Demonstration of pathogen and vector attraction reduction
  - For biosolids land application, a certification statement consistent with 361-2.5(c)(2)(vii) and signed by the permit holder
  - A summary of any difficulties or complaints received during land application and the correction actions implemented
  - A revised management plan based on the previous year's activities and proposed cropping schedule for the next year. This is prepared by Western New York Crop Management
  - For biosolids land application site, results of annual soil testing pursuant to 361-2.4(e)(5) - pH & sewage sludge metals, 1 sample per 50 acres,

composite of a minimum of 10 subsamples, from depth representative of depth of incorporation

361-2.7

Because of safety, compliance, operations and maintenance concerns, it is Bonny Hill Organics intention to decommission and close ponds P1, P2, and P3. Pond P4 will be retained as a stormwater & sediment detention pond. No waste will be managed through P4.

7.0 Runoff Controls

The uncovered product storage area does not have "leachate" collection or treatment as it is an agricultural material eventually being spread on open fields. Regardless, little runoff will be generated from this material. After placement on the impervious storage pads, the finished product develops a crust, which will shed most of the precipitation (i.e., rain or snow melt will not pass through the piles). This runoff, because it will carry no harmful constituents, can be managed by the on-site stormwater management system.

Any runoff discharging from the Class B biosolids storage area, once permitted, will be captured and transferred to the covered storage lagoon (lagoon 1). Contents of that lagoon may be held in storage for natural 'treatment' through the entire lagoon system or may be pumped from the lagoon and used for irrigation. Nutrients in the irrigation water will have to be determined and discounted from the nutrients required for the crops grown on the irrigated fields.

To minimize the off-site movement of Class B biosolids and food waste during precipitation events, paved surfaces are scraped and cleaned with the front-end loader at the end of each business day.

The level of the storm pond is controlled by natural gravity flow from lagoon to lagoon or by using the water for irrigation.

8.0 Training

Employees receive operations training appropriate for the position they hold at the facility prior to beginning their duties. The facility manager and other Casella managers initially oversee the employees' performances to ensure they are properly trained. Employees also receive safety training in the areas listed below. Orientation training is provided prior to starting active employment and refresher training will be conducted annually. Additional training will be provided as new exposures or risks are identified or if training is identified that will enhance the employee's overall job performance and satisfaction.

Training will be conducted and documented monthly, either by a Casella Resource Solutions or Casella Waste Systems (CWS) health and safety professional or through the use of CWS's Learning Paths online training program.

Safety training is a critical element of Casella's employment development. Tentative training schedule (highlighted items are part of the orientation training and **require** an annual refresher):

Hazard Communication	Machine Guarding
Personal Protective Equipment	Slips, Trips, and Falls
Emergency Response Plan	Spill Response
Fire Prevention and Protection	Respiratory Protection
Confined Space Entry	Hand and Power Tools
Lockout/Tagout	Blood-borne Pathogens
Working in Cold Weather	Working in Hot Weather
Working with Biosolids and Residuals	Electrical Safety
Heavy Equipment Operation	Workplace Violence
Ladder Safety	Company Harassment Policy
Working in Agricultural and Industrial Environments	

Bonny Hill Organics confirms with its third-party contract land appliers that they have the proper credentials for performing the work for which they have been contracted.

9.0 Safety

Employee health and safety are important to Casella Resource Solutions and its parent company, CWS. All employees working at the BHO Land Application Facility receive proper resources to protect them from risks to health and safety related to potential exposures at their place(s) of employment. Prior to active employment, each employee's job undergoes job hazard analysis. As a result of these analyses, each employee is issued personal protective equipment and receives training appropriate to his/her position to ensure safety and health exposures are minimized.

10.0 Emergency Response

Ambulance	911
Fire Department	911
Police Department	911
State Police	911
Town Office	(607) 776-6649
New York State Department of Environmental Conservation Region 8	(585) 226-5400

11.0 Municipal Sludge and Biosolids Testing

Written approval must be received from NYSDEC Region 8 prior to accepting inbound municipal sludges from any new source. The source must also be analyzed for specific parameters at an appropriate frequency in accordance with 6 NYCRR Part 361-3.9. On-going analyses are also required for all sources pursuant to 6 NYCRR Part 361-3.9.

12.0 Contingency and Closure Plan

The purpose of the closure plan is to provide guidance and financial assurance to properly dispose all stored liquid waste on-site and to fully decommission the surface impoundments (lagoons). Our approach and current cost estimates are provided below.

1. Liquid Waste Removal

This conservative scenario assumes liquid waste on site is equal to the storage capacity. A combination of beneficial use and disposal options will be used to remove all liquid waste from the covered lagoon and lagoons P1-3. The model assumes the water in lagoon 4 is clean enough to remain a stormwater pond once all other lagoon inflows are removed from it. It is anticipated liquid waste material from the covered lagoon and lagoons P1-3 will be land spread on Casella-leased fields or disposed of at local wastewater treatment plants. We are conservatively calculating 10% of the volume of the ponds will be a semi solid material and will have to be excavated from the ponds and land spread or disposed of at a landfill.

Current Operating Assumptions - Liquid Removal
Liquid storage capacity of the covered lagoon & P1-3 is 5.2 million gallons
Liquid Waste To be moved 250,000 gallons per day for 21 days
Truck cost $1,500 per day
Truck trips 8 per day
Truck Capacity 6500 gallons
Number of tankers (5 Tankers)
Disposal/Spreading cost $0.05 per Gallon of liquid waste
Disposal/Spreading cost $15 per yard of semi solid waste disposal
Management/Labor $500 per day
Number of days to complete 21

Current Cost Calculation - Liquid Removal

1. Trucking Cost $1,500 x 21 days x 5 trucks	$ 157,500
2. Management/Labor Cost $500 x 21 days	$ 10,500
3. Disposal Cost ($0.05 x 4,680,000)	$ 234,000
4. Disposal Cost of Semi Solid Sludge ($15 X 2500 yds)	$ 37,500
Total	**$ 439,500**

2. Surface Impoundment (Lagoon) Decommissioning

Decommissioning will consist of first removing the HDPE cover of the covered lagoon and disposing of this material in a Casella owned and/or operated duly permitted landfill. Next the covered lagoon and lagoons P1-3 will be backfilled to grade, using a combination of collapsing the existing banks of the lagoons and importing clean fill. We anticipate needing to fill at least 50% of the volume of the lagoons with imported clean fill. We will then add 6" topsoil layer to the entire area and vegetate it with native grasses.

Current Operating Assumptions – Lagoon Closure
Lagoon Cover removal and disposal 60 Tons
50% of fill will be imported or 13,000 cy

Delivered Cost of Imported Fill is $7.00 / cy
Excavator and Operator = $1500 per day
Estimated length of time = 20 days
Estimated cubic yards of topsoil = 4,300 cy
Delivered Cost of Imported Topsoil = $10.00 / cy

Current Cost Calculation - Lagoon Closure

1. Lagoon Cover Removal and Disposal ($100 X 60 Tons)	$ 6,000
2. Excavator and operator ($1,500 X 20 days)	$ 30,000
3. Clean Fill Delivered (13,000 cy x $7.00)	$ 91,000
4. Topsoil Delivered (4,300 cy x $10.00)	$ 43,000
Total	**$ 170,000**

Figures

Figure 1

Site Development Plan

Figure 2

Product Flow Diagram

Appendices

Standard Operating Procedure 3

Contingency Plan for Unacceptable Inputs

Standard Operating Procedure 5

Receiving and Loading Inspection

Appendix D.

Contingency and Closure Plan - Casella Bonny Hill Organics Facility, Bath NY

The purpose of the closure plan is to provide guidance and financial assurance to properly dispose all stored liquid waste on-site and to fully decommission the surface impoundments (lagoons). Our approach and current cost estimates are provided below.

1. Liquid Waste Removal

This conservative scenario assumes liquid waste on site is equal to the storage capacity. A combination of beneficial use and disposal options will be used to remove all liquid waste from the covered lagoon and lagoons P1-3. The model assumes the water in lagoon 4 is clean enough to remain a stormwater pond once all other lagoon inflows are removed from it. It is anticipated liquid waste material from the covered lagoon and lagoons P1-3 will be land spread on Casella-leased fields or disposed of at local wastewater treatment plants. We are conservatively calculating 10% of the volume of the ponds will be a semi solid material and will have to be excavated from the ponds and land spread or disposed of at a landfill.

Current Operating Assumptions - Liquid Removal

Liquid storage capacity of the covered lagoon & P1-3 is 5.2 million gallons
Liquid Waste To be moved 250,000 gallons per day for 21 days
Truck cost $1,500 per day
Truck trips 8 per day
Truck Capacity 6500 gallons
Number of tankers (5 Tankers)
Disposal/Spreading cost $0.05 per Gallon of liquid waste
Disposal/Spreading cost $15 per yard of semi solid waste disposal
Management/Labor $500 per day
Number of days to complete 21

Current Cost Calculation - Liquid Removal

1. Trucking Cost $1,500 x 21 days x 5 trucks	$ 157,500
2. Management/Labor Cost $500 x 21 days	$ 10,500
3. Disposal Cost ($0.05 x 4,680,000)	$ 234,000
4. Disposal Cost of Semi Solid Sludge ($15 X 2500 yds)	$ 37,500
Total	**$ 439,500**

2. Surface Impoundment (Lagoon) Decommissioning

Decommissioning will consist of first removing the HDPE cover of the covered lagoon and disposing of this material in a Casella owned and/or operated duly permitted landfill. Next the covered lagoon and lagoons P1-3 will be backfilled to grade, using a combination of collapsing the existing banks of the lagoons and importing clean fill. We anticipate needing to fill at least 50% of the volume of the lagoons with imported clean fill. We will then add 6" topsoil layer to the entire area and vegetate it with native grasses.

Current Operating Assumptions – Lagoon Closure
Lagoon Cover removal and disposal 60 Tons
50% of fill will be imported or 13,000 cy
Delivered Cost of Imported Fill is $7.00 / cy
Excavator and Operator = $1500 per day
Estimated length of time = 20 days
Estimated cubic yards of topsoil = 4,300 cy
Delivered Cost of Imported Topsoil = $10.00 / cy

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1. Lagoon Cover Removal and Disposal ($100 X 60 Tons)	$ 6,000
2. Excavator and operator ($1,500 X 20 days)	$ 30,000
3. Clean Fill Delivered (13,000 cy x $7.00) `	$ 91,000
4. Topsoil Delivered (4,300 cy x $10.00)	$ 43,000
Total	**$ 170,000**

Appendix E

NEW YORK STATE OF OPPORTUNITY | Department of Environmental Conservation

NYSDEC DIVISION OF MATERIALS MANAGEMENT

6 NYCRR Part 360 Series

SOLID WASTE MANAGEMENT FACILITY INSPECTION REPORT

CONTINUATION SHEET

FACILITY NAME:	ACTIVITY #:	DATE:	TIME:
Leo Dickson & Sons	51L05	9-30-22	11:30 AM

SHEET	CONTINUATION SHEET
1 OF 1	☐ YES ☒ NO

- Mackenzie Osypian and Jason Boliver (NYSDEC engineer and monitor for the facility) inspected the waste storage areas accompanied by Mary Rayeski. As noted in previous inspection, no biosolids remain on the site. All liquid storage ponds (P1 - P4) were in compliance in regards to freeboard. There was no evidence of any recent waste movement (into or from) at the site. The Windfall Road bunker was empty. No waste or manure was seen on any fields that were checked. The compost building is free of compost or waste.

OTHER (e.g., diagrams; pictures; comments; additional operating, variance or consent order conditions that can be observed or measured)

Jason Boliver
Jason Boliver
Inspector's Signature

9-30-22
Date