

## TERMINATION AGREEMENT AND MUTUAL RELEASE

This Termination Agreement and Mutual Release of Waste Disposal and Processing Agreement (the "WDPA") (the "Termination Agreement") is between Quality Waste Service, Inc., a California corporation ("Company") and County Sanitation District No. 2 of Los Angeles County ("District"), a County Sanitation District organized and existing pursuant to the County Sanitation District Act, Health and Safety Code (collectively, the "Parties," and each individually, a "Party").

A. On or about June 24, 2020, Company and District entered into the WDPA. All terms not defined in this Termination Agreement have the meanings set forth in the WDPA.

B. In the WDPA, Company is obligated to deliver minimum quantities of solid waste to the District's Facilities at agreed rates subject to the terms and conditions set forth therein and to perform certain other duties.

C. The District's Facilities in the WDPA included the Downey Area Recycling and Transfer Facility ("DART") and the Puente Hills Materials Recovery Facility ("PHMRF"). The District intends to lease DART to a private business, and as such, the District will no longer accept solid waste at the DART. The District also intends to lease a portion of PHMRF to a private business which will eliminate the District's ability to process Commingled Recyclables.

D. The Parties have mutually determined that they no longer desire to operate under the terms and conditions of the original WDPA and will terminate the WDPA in all respects upon the terms and conditions of this Termination Agreement.

E. The Parties have further determined that in connection with the termination of the WDPA, it is in their respective best interests to fully and finally resolve any and all issues, litigation, and disputes between them with regard to the WDPA and desire to enter into this Termination Agreement to memorialize the terms of their agreements.

The Parties therefore agree as follows:

### AGREEMENT

1. Termination of the WDPA. Effective as of \_\_\_\_\_, 2022 (the "Effective Date") the WDPA is terminated and of no force or effect, and the Parties have no rights or obligations, past, present, or future, originating or deriving from the WDPA except only such obligations that expressly state that they survive the termination of the WDPA, including, without limitation, the indemnities set forth in Section 9 of the WDPA and any financial obligations of either party arising from actions taken prior to the Effective Date.

2. General Release by District. Except for the obligations arising under this Termination Agreement, as of the Effective Date District, on behalf of itself and any Sanitation District of Los Angeles County, hereby releases and discharges Company and each of their trustees, agents, employees, attorneys and representatives from any and all causes of action, actions, judgments, liens, indebtedness, damages, losses, claims, claims for relief, liabilities and demands of every kind and character arising in connection with any matter whatsoever, whether known, or unknown, suspected or unsuspected, existing or prospective which have accrued from the beginning of time to the Effective Date (a "Claim" or "Claims") with respect to the performance of Company under the WDPA.

3. General Release by Company. Except for the obligations arising under this Termination Agreement, as of the Effective Date Company hereby releases and discharges District, any Sanitation District of Los Angeles County and each of their directors, agents, employees, attorneys and representatives from any and all Claims with respect to the performance of the district under the WDPA.

4. General Provisions.

a. The Parties warrant that the person executing this Termination Agreement on behalf of each Party is duly authorized to execute this Termination Agreement on behalf of that Party, that each Party by so executing this Termination Agreement is formally bound by the provisions of this Termination Agreement and that said Party has not sold, assigned or otherwise granted to any other person or entity, any claim, lien, demand, cause of action, obligation, damage or liability covered by this Termination Agreement.

b. The Parties agree that this Termination Agreement will be construed in accordance with the meaning of the language used and will not be construed for or against any Party by reason of the authorship of this Termination Agreement or any other rule of construction that might otherwise apply.

c. This Termination Agreement will be governed by and construed pursuant to the laws of the state of California. Any disputes arising from this Termination Agreement will be decided in an action or proceeding brought before the Los Angeles Superior Court. All Parties to this Termination Agreement agree that the Los Angeles Superior Court will have exclusive jurisdiction to adjudicate any dispute arising from or related to this Termination Agreement, to enter final judgments, and also consent to venue before the Los Angeles Superior Court.

d. If any provision of this Termination Agreement is held to be invalid, void, or illegal by any court of competent jurisdiction, the remainder of this Termination Agreement will remain in full force and effect. If any provision of this Termination Agreement is deemed invalid due to its scope or breadth, that provision will be deemed valid to the extent of the scope or breadth permitted by law.

e. This Termination Agreement including all exhibits, constitutes the entire understanding between the Parties and supersedes all other agreements, representations and warranties, oral or written, with respect to the subject matter of this Termination Agreement. This is a fully integrated agreement.

f. No provision of this Agreement may be waived, modified or amended except in writing signed by all Parties whose rights are thereby waived, modified or amended. Waiver of any one provision of this Agreement will not be deemed to be a waiver of any other provision.

g. The Parties each agree to bear their own respective costs and attorneys' fees incurred.

h. If any legal action is brought to enforce the terms and conditions of this Termination Agreement, including the releases provided, the prevailing party in that action will be entitled to recover its actual costs, expenses and attorneys' fees in addition to any and all other remedies available by law or in equity. Each Party agrees that in the event any such legal action is commenced, that such party hereby waives its right to request a jury trial.

i. Any notice required or desired to be given relating to the Termination Agreement shall be provided by email with a copy to follow by fax or first-class mail addressed as follows:

If to Company:

Quality Waste Service, Inc.  
3534 E. Whittier Blvd  
Whittier, CA 90023  
Attn: Steve Kalpakoff  
steve@qualitywaste.com

If to District:

Chief Engineer and General Manager  
County Sanitation District No. 2 of Los Angeles County  
1955 Workman Mill Road  
Whittier, CA 90601  
Attn: Mark Revilla  
mrevilla@lacsdsd.org

j. This Termination Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all, when taken together, shall constitute the entire agreement between the Parties. For purposes of this provision, a facsimile or electronic signature shall be deemed to be the equivalent of an original signature and shall be effective to bind a Party hereto.

IN WITNESS WHEREOF, the Parties hereto do execute and enter into this Termination Agreement as of the date first above written.

QUALITY WASTE SERVICE, INC.

By JKL

Title PRESIDENT

COUNTY SANITATION DISTRICT NO. 2 OF  
LOS ANGELES COUNTY

By \_\_\_\_\_  
Chairperson, Board of Directors

ATTEST:

By \_\_\_\_\_  
Secretary to the Board

APPROVED AS TO FORM:  
LEWIS, BRISBOIS, BISGAARD & SMITH LLP

By \_\_\_\_\_  
District Counsel