

AGREEMENT FOR ASSIGNMENT OF SOLID WASTE FRANCHISE AGREEMENT

This Agreement is entered into by and between the County of El Dorado (“County”), South Tahoe Refuse Co., d/b/a as Sierra Disposal Service (“Sierra Disposal”), Waste Connections of California, Inc., d/b/a El Dorado Disposal Service, a California corporation (“El Dorado Disposal”), and Waste Connections, Inc. (“Guarantor”). This Agreement is effective as of August 18, 2015.

This Agreement is made with reference to the following recitals:

Whereas, effective December 2, 2014, the County entered into a Solid Waste Franchise Agreement (the “Franchise Agreement”) with Sierra Disposal, which, among other things, granted Sierra Disposal the exclusive right and obligation, subject to certain limitations and renewal options, until December 1, 2024, to collect and dispose of municipal solid waste generated by residential, commercial and industrial customers in a delineated franchise area in the western portion of the County; and

Whereas, Sierra Disposal, El Dorado Disposal, and Guarantor have requested that the County consent to the assignment of the Franchise Agreement by Sierra Disposal to El Dorado Disposal, and El Dorado Disposal has agreed to accept said assignment and to assume all duties and obligations of Sierra Disposal under the Franchise Agreement from and after the effective date of the assignment; and

Whereas, the Franchise Agreement cannot be transferred or assigned by Sierra Disposal to El Dorado Disposal without the prior written consent of the County; and

Whereas, in order to induce the County to consent to the assignment of the Franchise Agreement by Sierra Disposal to El Dorado Disposal, Guarantor has agreed to guarantee the obligations of El Dorado Disposal under the Franchise Agreement, and El Dorado Disposal has offered additional inducements to the County to give its consent, as more particularly described in this Agreement; and

Whereas, the County’s consent to the assignment of the Franchise Agreement by Sierra Disposal to El Dorado Disposal is made with the understanding between the parties hereto that the payment of the purchase price by El Dorado Disposal for the acquisition of the assets of Sierra Disposal described herein shall not result in an increase in solid waste collection and/or processing or disposal rates of County residents and businesses to be served by El Dorado Disposal solely as a result of such acquisition, compared with what these rates would have been if no such acquisition had occurred.

NOW THEREFORE, the parties agree as follows:

1. In consideration of the representations and promises in this Agreement of Sierra Disposal, El Dorado Disposal, and Guarantor, the County hereby approves of and consents to the transfer and assignment of the Franchise Agreement by Sierra Disposal to El Dorado Disposal. The

foregoing consent is given with the understanding that El Dorado Disposal will purchase substantially all of Sierra Disposal solid waste collection assets and all of its solid waste collection operations in the Sierra Disposal franchise area of El Dorado County. This consent shall not be effective if El Dorado Disposal does not acquire substantially all of the solid waste collection assets and all of the collection operations of Sierra Disposal in the Sierra Disposal franchise area of El Dorado County.

2. Guarantor agrees to unconditionally guarantee all liabilities and obligations of El Dorado Disposal arising under the Franchise Agreement. Guarantor shall deliver to the County a fully executed parent company guarantee in the form attached hereto as Exhibit A, properly authorized pursuant to Guarantor's Certificate of Incorporation and Bylaws.
3. El Dorado Disposal shall deliver to the County, on or before close of any of the transactions between Sierra Disposal and El Dorado Disposal described in this Agreement and before El Dorado Disposal commences solid waste collection operations in the Sierra Disposal franchise area, a cash bond in compliance with section 10A of the Franchise Agreement and proof of insurance and related documentation satisfactory to El Dorado County's Risk Manager in compliance with section 10B of the Franchise Agreement.
4. El Dorado Disposal represents and agrees that it shall not hereafter, in any manner, whether directly or indirectly, seek to receive or actually receive reimbursement for any of its costs associated solely with El Dorado Disposal's acquisition of the assets of Sierra Disposal. Without limiting the generality of the foregoing, El Dorado Disposal will not attempt to recover in future rates any increased depreciation, amortization or other costs arising solely by reason of the acquisition of any assets of Sierra Disposal or its affiliates. Notwithstanding the foregoing, nothing herein shall preclude El Dorado Disposal from seeking to recover in future rates service improvements or enhancements implemented at the request or with the consent of the County.
5. El Dorado Disposal agrees to assume all duties and obligations and perform the Franchise Agreement from and after the closing of the transactions between Sierra Disposal and El Dorado Disposal. El Dorado Disposal represents that it has read and is fully familiar with the terms and conditions of the Franchise Agreement, including the provisions for the potential imposition of administrative charges set forth in Section 14 of the Franchise Agreement, and agrees to abide by and to be subject to all such terms and conditions.
6. Sierra Disposal shall pay any outstanding amounts owed to the County under the Franchise Agreement, which obligations have accrued under the Franchise Agreement as of the closing of the transactions between Sierra Disposal and El Dorado Disposal, within the time periods required in the Franchise Agreement. El Dorado Disposal shall pay the County any outstanding amounts owed to the County under the Franchise Agreement which accrue from and after the closing of the transactions between Sierra Disposal and El Dorado Disposal.
7. The transfer fee, in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000), to cover the costs and expenses incurred by County associated with the assignment of the Franchise Agreement to El Dorado Disposal shall be a joint and several obligation of Sierra Disposal

Service and El Dorado Disposal Service. Payment shall be due within thirty (30) days of receipt of the County's invoice.

8. El Dorado Disposal agrees that the acquisition of Sierra Disposal's assets shall not have a net adverse effect on customer rates compared to the rates that could have been charged by Sierra Disposal under the Franchise Agreement. The Base Year rate schedule, as defined in the Solid Waste Policies and Procedures Manual, shall be the rates approved by the Board of Supervisors in Resolution 186-2013.

[Signatures continued on next page.]

Waste Connections of California, Inc.
dba El Dorado Disposal Service

Waste Connections, Inc. (Guarantor)

By: _____
Ronald J. Mittelstaedt
Chairman and Chief Executive Officer

By: _____
Ronald J. Mittelstaedt
Chairman and Chief Executive Officer

By: _____
Patrick J. Shea
Senior Vice President, General
Counsel and Secretary

By: _____
Patrick J. Shea
Senior Vice President, General Counsel
and Secretary

South Tahoe Refuse Co.
dba Sierra Disposal Service

By: _____
Jeff Tillman
President

By: _____
John D. Marchini
Secretary

County of El Dorado

By: _____
Brian K. Veerkamp, Board Chairman

ATTEST: _____
County Clerk

EXHIBIT A

GUARANTY

THIS GUARANTY (the "Guaranty") is given as of the 18th day of August, 2015, by Waste Connections, Inc., a Delaware corporation ("Guarantor"), to the County of El Dorado, a political subdivision of the State of California (hereafter the "County"). This Guaranty is made with reference to the following recitals:

Whereas, Waste Connections of California, Inc., doing business as El Dorado Disposal Service, a California corporation ("Contractor"), is a wholly owned subsidiary of Guarantor; and

Whereas, Contractor and Guarantor have requested that the County consent to the assignment by South Tahoe Refuse Co., doing business as Sierra Disposal Service, of its Solid Waste Services Franchise Agreement ("Franchise Agreement") with the County to Contractor, and substantially all of the solid waste collection assets and all of the collection operations of Sierra Disposal Service in the franchise area in El Dorado County; and

Whereas, as an inducement to the County to give consent to the assignment of the Franchise Agreement to Contractor and to the transactions referred to herein, and for other good and valuable consideration, receipt of which is hereby acknowledged by Guarantor, Guarantor has agreed to provide the County with a guaranty of the obligations of Contractor under the Franchise Agreement as they now exist and may hereafter be extended, modified or amended;

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

1. Guaranty of the Agreement. Guarantor hereby irrevocably and unconditionally guarantees to County the complete and timely performance, satisfaction and observation by Contractor of each and every term and condition of the Franchise Agreement and each and every other agreement of Contractor with the County. If El Dorado Disposal fails to perform, satisfy or observe any of the terms and conditions of any of said agreements, Guarantor will promptly and fully perform, satisfy or observe them in the place of El Dorado Disposal. Guarantor hereby guarantees payment to County of any damages, costs or expenses which might become recoverable by County from El Dorado Disposal due to its breach of any of said agreements or under any indemnity to the County provided by El Dorado Disposal.
2. Guarantor's Obligations are Absolute. The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited, and with respect to any payment obligation of El Dorado Disposal under said agreements, shall constitute a guarantee of payment and not of collection.

3. Waivers. The Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under it for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of El Dorado Disposal; (2) any amendment, modification or waiver of any provision of said agreements; (3) the actual or purported rejection by a trustee in bankruptcy of said agreements, or any limitation on any claim in bankruptcy resulting from the actual or purported termination of said agreements; (4) any waiver, extension, release or modification with respect to any of the obligations of the agreements guaranteed hereunder or the impairment or suspension of any of County's rights or remedies against El Dorado Disposal; (5) any merger or consolidation of El Dorado Disposal with any other corporation, or any sale, lease or transfer of any or all the assets of El Dorado Disposal. Without limiting the generality of the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code Section 2819.

The Guarantor hereby waives any and all benefits and defenses under California Civil Code Sections 2845, 2849 and 2850, including, without limitation, the right to require County to (a) proceed against El Dorado Disposal; (b) proceed against or exhaust any security or collateral County may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agrees that County may proceed against Guarantor for the obligations guaranteed herein without taking any action against El Dorado Disposal or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral County may hold now or hereafter hold.

Guarantor hereby waives any right which it may have to reimbursement from El Dorado Disposal for amounts disbursed by Guarantor and any right of subrogation to the rights of County against El Dorado Disposal; including, without limitation, such rights as may be provided under California Civil Code Sections 2847 and 2848. Guarantor agrees that County may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against El Dorado Disposal or any other guarantor or pledgor without impairing County's rights and remedies in enforcing this Guaranty.

The Guarantor hereby waives and agrees to waive at any future time at the request of County, to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice to the Guarantor, the time for El Dorado Disposal's performance of or compliance with any of its obligations under said agreements is extended, or such performance or compliance is waived; (b) said agreements are modified or amended in any respect; (c) any other indemnification is modified or amended in any respect; (c) any other indemnification with respect to El Dorado Disposal's obligations under said agreements or any security therefore is released or exchanged in whole or in part or otherwise dealt with; or (d) any assignment of said

agreements is effected which does not require County's approval.

The Guarantor hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from County as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor, or El Dorado Disposal prior to such avoidance or recovery, and (b) payment in full of any obligations then outstanding.

4. Term. This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of said agreements have been fully performed by El Dorado Disposal, and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by County of any performance bond or other collateral to assure the performance of El Dorado Disposal's obligations under said agreements. Guarantor shall not be released of its obligations hereunder so long as there is any claim by County against El Dorado Disposal arising out of said agreements based on such entity's failure to perform which has not been settled or discharged.
5. No Waivers. No delay on the part of County in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligations of Guarantor or right of County to take other or further action without notice or demand. No modification or waiver of any of the provision of this Guaranty shall be effective unless it is in writing and signed by County and by Guarantor, nor shall any waiver be effective except in the specific instance or matter for which it is given.
6. Attorney's Fees. In addition to the amounts guaranteed under this Guaranty, Guarantor agrees to pay actual attorneys' fees and all other costs and expenses incurred by County in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.
7. Governing Law; Jurisdiction. This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws rules for all purposes, including, but not limited to, matters of construction, validity and performance. Guarantor agrees that any action brought by County to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts.

8. Severability. If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity shall have no effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.
9. Binding on Successors. This Guaranty shall inure to the benefit of County and its successors and shall be binding upon Guarantor and its successors, including transferee(s) of substantially all of its assets and its shareholder(s) in the event of its dissolution or insolvency.
10. Authority. Guarantor represents and warrants that it has the corporate power and authority to give this Guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Certificate of Incorporation and By-Laws, and that the person signing this Guaranty on its behalf has the authority to do so.
11. Subordination. Any claims Guarantor may have against El Dorado Disposal are hereby subordinated to any and all claims of County against such entity until such time as the obligations of that entity to County are fully satisfied and discharged.
12. Notices. Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:

To County:

Attn. Director, Environmental Management
El Dorado County
2850 Fairlane Court, Bldg C.
Placerville, California 95667
Facsimile (530) 295-2747

with a copy to the County Counsel at:

County Counsel
El Dorado County
330 Fair Lane
Placerville, California 95667
Facsimile (530) 621-2837

To Guarantor:

Ronald J. Mittelstaedt
Chairman and Chief Executive Officer
Waste Connections, Inc.
3 Waterway Square Place, Suite 100
The Woodlands, Texas 77380
Facsimile: (832) 442-2291

With a copy to Guarantor's General Counsel at the same address and facsimile number.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty.

Date: August __, 2015.

Waste Connections, Inc. (Guarantor)

By: _____
Ronald J. Mittelstaedt
Chairman and Chief Executive Officer

By: _____
Patrick J. Shea
Senior Vice President, General Counsel and
Secretary