IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

ALLIED WASTE INDUSTRIES, INC.,

Defendant.

Supplemental to Civil Action No. 1:99 CV 01962 Date: May __, 2007 Civil Part I Judge

SETTLEMENT AGREEMENT AND ORDER

WHEREAS Plaintiff United States of America having filed its Petition for an Order to Show Cause Why Defendant Allied Waste Industries, Inc. Should Not Be Found in Civil Contempt ("Petition to Show Cause") on May 8, 2007, and Defendant Allied Waste Industries, Inc. ("Allied"), as defined in Paragraph II(A) of the Modified Final Judgment entered in <u>United States v. Allied Waste Industries, Inc. and Browning-Ferris Industries, Inc.</u>, No. 1:99 CV 01962 (D.D.C. 2000) ("Modified Final Judgment"), having consented to the entry of this Settlement Agreement and Order without trial or adjudication of any issue of fact or law herein, and without this Settlement Agreement and Order constituting any evidence against, admission by, or adjudication of wrongdoing on the part of Allied or any former Allied employee, with respect to any allegation contained in the Petition To Show Cause; AND WHEREAS Allied agrees to be bound by the provisions of this Settlement

Agreement and Order pending its approval by the Court;

NOW, THEREFORE, before the taking of any testimony and without trial or adjudication of any issue of fact or law herein, and upon the consent of the parties hereto, it is hereby

ORDERED, ADJUDGED, and DECREED as follows:

I.

JURISDICTION

This Court has jurisdiction over the subject matter of this action and each of the parties consenting hereto under 18 U.S.C. § 401(3) and under Section XIII of the Modified Final Judgment entered by this Court on May 19, 2000 in <u>United States v. Allied Waste Industries, Inc.</u> and Browning-Ferris Industries, Inc., No. 1:99 CV 01962 (D.D.C. 2000).

II.

APPLICABILITY AND EFFECT

A. The preamble and each Recital set forth above is incorporated herein by reference and made a part of this Agreement.

B. The provisions of this Settlement Agreement and Order shall be binding upon Allied, its successors and assigns, and those persons in active concert or participation with Allied who receive actual notice of this Settlement Agreement and Order.

C. This Settlement Agreement and Order constitutes a full and complete disposition of Allied's alleged violations of Paragraph VII(A) of the Modified Final Judgment, as described

in the Petition to Show Cause, from May 19, 2000 to the date of entry by the Court of this Settlement Agreement and Order.

D. No further action, petition, enforcement proceeding, motion or other form of requested relief will be taken by the United States against Allied or any former employee, with respect to the alleged violations of Paragraph VII(A) of the Modified Final Judgment, as described in the Petition to Show Cause, from May 19, 2000, to the date of entry by the Court of this Settlement Agreement and Order, and this settlement will constitute a full and complete release, disposition and bar to any proceedings relating thereto.

E. All pending requests for information and all Civil Investigative Demands ("CIDs") issued to Allied and any former employee shall be deemed withdrawn by the United States.

F. Nothing in this Settlement Agreement and Order shall bar the United States from seeking, or the Court from imposing on Allied, any other relief available under any applicable provision of law for any violation of the Modified Final Judgment or this Settlement Agreement and Order, other than the violations of Paragraphs VII(A) of the Modified Final Judgment, as alleged in the Petition to Show Cause, from May 19, 2000 to the date of entry by the Court of this Settlement Agreement and Order.

III.

CIVIL PAYMENT

A. Within thirty (30) days of entry of this Settlement Agreement and Order, Allied shall pay \$125,000 to the United States, which includes reimbursement to the United States for

its attorneys fees incurred during its investigation of the violations alleged in the Petition to Show Cause.

B. The payment specified in Paragraph III(A) shall be made by wire transfer or cashier's check. If the payment is to be made by wire transfer, Allied first must contact the Antitrust Division's Antitrust Documents Group at (202) 514-2481 for instructions. If payment is to be made by cashier's check, Allied shall make the check payable to the United States Department of Justice and deliver it to:

Janie Ingalls Antitrust Division, Antitrust Documents Group United States Department of Justice 325 7th Street, NW Suite 200 Washington, DC 20530

C. In the event of a default in payment, interest at the rate of eighteen (18) percent per annum shall accrue thereon from the date of default to the date of payment.

D. Allied shall not claim this payment, in whole or in part, as a deductible expense by Allied, its subsidiaries, divisions or affiliates for tax purposes under any state tax code, the

United States Tax Code, or the tax code of any other country.

IV.

RETENTION OF JURISDICTION

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this

Settlement Agreement and Order to apply to this Court at any time for further orders and

directions as may be necessary or appropriate to carry out or construe this Settlement Agreement

and Order, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

Civil Part I Judge United States District Court Judge District of Columbia

DATED: May __, 2007