

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

Plaintiff,

v.

ALLIED WASTE INDUSTRIES, INC., and
REPUBLIC SERVICES, INC.,

Defendants.

Civil No.

00 1469

Filed:

FILED

DEC 13 2000

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

FINAL JUDGMENT

WHEREAS, plaintiff, the United States of America, having filed its Complaint in this action on June , 2000, and plaintiff and defendants, Allied Waste Services, Inc. ("Allied") and Republic Services, Inc. ("Republic"), by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein;

AND WHEREAS, defendants have agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

AND WHEREAS, the essence of this Final Judgment is the prompt and certain divestiture of the Relevant Allied Assets and Relevant Republic Assets by the defendants to assure that competition is not substantially lessened;

AND WHEREAS, the United States requires defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

AND WHEREAS, defendants have represented to the United States that the divestitures required below can and will be made and that defendants will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture or other injunctive provisions contained below;

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

I. Jurisdiction

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against defendants under Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

II. Definitions

As used in this Final Judgment:

A. "Acquirer" or "Acquirers" means the entity or entities to whom defendants divest the Relevant Allied Assets or Relevant Republic Assets.

B. "Allied" means defendant Allied Waste Industries, Inc., a Delaware corporation with its headquarters in Scottsdale, Arizona, and includes its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. "Disposal" means the business of disposing of waste into approved disposal sites.

D. "Hauling" means the collection of waste from customers and the shipment of the collected waste to disposal sites. Hauling, as used herein, does not include collection of roll-off containers.

E. "Landfill" means a waste management facility where waste is placed into the

land. F. "MSW" means municipal solid waste, a term of art used to describe solid putrescible waste generated by households and commercial establishments such as retail stores, offices, restaurants, warehouses, and non-manufacturing activities in industrial facilities. MSW does not include special handling waste (*e.g.*, waste from manufacturing processes, regulated medical waste, sewage, and sludge), hazardous waste, or waste generated by construction or demolition sites.

G. "Relevant Allied Assets" means all Relevant Allied Disposal Assets and Relevant Allied Hauling Assets, as further defined below.

H. "Relevant Allied Disposal Assets" means, with respect to each transfer station listed and described herein, all of Allied's rights, titles and interests in any tangible assets, including all fee and leasehold and renewal rights in the listed transfer station; the garage and related facilities; offices; all related assets including capital equipment, trucks and other vehicles, scales, power supply equipment, interests, permits, and supplies; and all of Allied's rights, titles and interests in any intangible assets, including all customer lists, contracts, and accounts, or options to purchase any adjoining property.

Relevant Allied Disposal Assets, as used herein, includes each of the following properties:

1. Anderson, IN

Allied's BFI Transfer Station, located at 201 North Delaware, Anderson, IN 46016; and

2. Macon, GA

Allied's S&S Byron Transfer Station, located at 750 Dunbar Road, Byron, GA 31008.

I. "Relevant Allied Hauling Assets," means with respect to each commercial waste collection route or other hauling asset described herein, all tangible assets, including capital equipment, trucks and other vehicles, containers, interests, permits, supplies; and if requested by the purchaser, real property and improvements to real property (*i.e.*, buildings and garages). It also includes all intangible assets, including hauling-related customer lists, contracts, leasehold interests, and accounts.

Relevant Allied Hauling Assets, as used herein, includes the assets in the following locations:

1. Columbus, OH

Allied's front-end and rear-end loader truck small container routes (hereinafter, "commercial routes") 31, 51, 54, 91, 92, 96 and 97 that serve the City of Columbus; and Franklin and Delaware counties, Ohio.

2. Lakeland, FL

Allied's commercial routes 901 and 904 that serve Polk County, FL.

3. Macon, GA

Allied's commercial routes 902 and 903 that serve the City of Macon; and Bibb and Jones counties, Georgia.

J. "Relevant Republic Assets" means all Relevant Republic Disposal Assets and

Relevant Republic Hauling Assets, as further defined below.

K. “Relevant Republic Disposal Assets” means Republic’s All City Transfer Station, also known as Republic Services of New York II, LLC, located at 246-252 Plymouth Street, New York, New York. Relevant Republic Disposal Assets include all of Republic’s rights, titles and interests in any tangible assets, including all fee and leasehold and renewal rights, in the transfer station; the garage and related facilities; offices; all related assets including capital equipment, trucks and other vehicles, scales, power supply equipment, interests, permits, and supplies; and all of Republic’s rights, titles and interests in any intangible assets, including all customer lists, contracts, and accounts, or options to purchase any adjoining property.

L. “Relevant Republic Hauling Assets” means with respect to each commercial waste collection route or other hauling asset described herein, all tangible assets, including capital equipment, trucks and other vehicles, containers, interests, permits, supplies; and if requested by the purchaser, real property and improvements to real property (*i.e.*, buildings and garages). It also includes all intangible assets, including hauling-related customer lists, contracts, leasehold interests, and accounts.

Relevant Republic Hauling Assets, as used herein, includes the assets in the following locations:

1. Augusta, GA

Republic’s commercial routes 204 and 238 that serve the City of Augusta, GA; Richmond and Columbia counties, GA; and Aiken County, SC.

2. Gulf Coast, FL

Republic’s commercial routes 1, 4 (a Saturday-only route), and 5 that serve Escambia,

Santa Rosa and Okaloosa counties, FL, except for those contracts with route 4 customers also being served on a Republic Gulf Coast route not being divested pursuant to this Final Judgment;

3. Louisville, KY/Sellersburg, IN

Republic's commercial routes 4, 8, 17, 18, and 26 (to be divested by Republic) that serve the cities of Louisville, KY and Sellersburg, IN; Jefferson County, KY; and the parts of Floyd and Clark counties, IN abutting Jefferson County, KY.

4. Memphis, TN

Republic's commercial routes 51, 52 and 53 that serve Shelby County, TN; Desoto County, MS; and Crittenden County, AK.

5. Nashville, TN

Republic's commercial routes 12, 16, 20, 24 and 30 that serve the City of Nashville, TN; and Davidson, Sumner, Williamson, Rutherford, Wilson, the southeastern part of Robertson, and the eastern part of Cheatham counties, TN; and.

6. Norfolk, VA

Republic's commercial routes 1, 2, 3 (except for the Virginia Beach municipal contract), 6, 7, 9, and 10 that serve the cities of Chesapeake, Suffolk, Virginia Beach, Norfolk, Poquoson, Newport News and Portsmouth, VA; and York, Surry, James City, Southampton, and Isle of Wright counties, VA subject to the following conditions of sale: the new purchaser of the specified hauling assets must obtain a disposal agreement satisfactory to the United States in advance of any divestiture approval from the United States. If the United States, in its sole discretion, deems it necessary for additional tonnages of processible waste to be divested by Allied in the Norfolk area, Allied agrees to supplement the assets already offered for sale with

additional waste customers whose total tonnages of processible waste exceed 800 tons per month. Any supplemental asset divestiture by Allied will be limited to no more than one (1) additional front-end loader route, plus the accounts of other Allied waste customers whose total processible waste, in combination with the waste generated from any additional front-end loader route, shall equal 800 tons or more of processible waste per month. The supplemental waste customer accounts shall not be covered by any separate disposal agreement. The supplemental customer accounts need not relate to small container waste.

M. "Republic" means defendant Republic Services, Inc., a Delaware corporation with its headquarters in Ft. Lauderdale, Florida, and includes its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

N. "Small container commercial waste collection service" means the business of collecting MSW from commercial and industrial accounts, usually in "dumpsters" (*i.e.*, a small container with one to ten cubic yards of storage capacity), and transporting or "hauling" such waste to a disposal site by use of a front- or rear-end loader truck. Typical commercial waste collection customers include office and apartment buildings and retail establishments (e.g. stores and restaurants).

III. Applicability

A. This Final Judgment applies to Allied and Republic, as defined above, and all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition of all or

substantially all of their assets, or of lesser business units that include defendants' Relevant Allied Assets or Relevant Republic Assets, that the Acquirer or Acquirers agree to be bound by the provisions of this Final Judgment.

IV. Divestitures

A. Defendants are hereby ordered and directed, within one hundred and twenty (120) calendar days after the filing of the Complaint in this matter, or five (5) days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Relevant Allied Assets and Relevant Republic Assets in a manner consistent with this Final Judgment to an Acquirer(s) acceptable to the United States in its sole discretion. The United States, in its sole discretion, may agree to an extension of this time period of up to sixty (60) calendar days, and shall notify the Court in such circumstances. Defendants agree to use their best efforts to divest the Relevant Allied Assets and the Relevant Republic Assets as expeditiously as possible.

B. In accomplishing the divestitures ordered by this Final Judgment, defendants promptly shall make known, by usual and customary means, the availability of the Relevant Allied Assets and Relevant Republic Assets. Defendants shall inform any person making inquiry regarding a possible purchase of the Relevant Allied Assets or Relevant Republic Assets that they are being divested pursuant to this Final Judgment and provide that person with a copy of this Final Judgment. Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents relating to the Relevant Allied Assets and Relevant Republic Assets customarily provided in a due diligence process except such information or documents subject to the attorney-client or work-product privileges. Defendants shall make available such information to the United States at the same time that such

information is made available to any other person.

C. Defendants shall provide the Acquirers and the United States information relating to the personnel involved in the operation and management of the Relevant Allied Assets and Relevant Republic Assets to enable the Acquirer to make offers of employment. Defendants will not interfere with any negotiations by the Acquirer[s] to employ any defendant employee whose primary responsibility is the operation or management of the Relevant Allied Assets or the Relevant Republic Assets.

D. Defendants shall permit prospective Acquirers of the Relevant Allied Assets and Relevant Republic Assets to have reasonable access to personnel and to make inspections of the physical facilities; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. With the exception of the facilities described in Section II (K), defendants shall warrant to all Acquirers of the Relevant Allied Assets and Relevant Republic Assets that each asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the permitting, operation, or divestiture of the Relevant Allied Assets and Relevant Republic Assets.

G. Defendants shall warrant to the Acquirer[s] of the Relevant Allied Assets and Relevant Republic Assets that there are no material defects in the environmental, zoning or other permits pertaining to the operation of each asset, and that following the sale of the Relevant Allied Assets and Relevant Republic Assets, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning, or other permits relating to the operation of the

Relevant Allied Assets and Relevant Republic Assets.

H. Unless the United States otherwise consents in writing, the divestiture pursuant to Section IV, or by trustee appointed pursuant to Section V, of this Final Judgment, shall include the entire Relevant Allied Assets and Relevant Republic Assets, and shall be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Relevant Allied Assets and Relevant Republic Assets can and will be used by the Acquirer(s) as part of a viable, ongoing waste disposal or hauling business. Divestiture of the Relevant Allied Assets and Relevant Republic Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the Relevant Allied Assets and Relevant Republic Assets will remain viable and the divestiture of such assets will remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or Section V of this Final Judgment,

- (1) shall be made to an Acquirer (or Acquirers) that, in the United States's sole judgment, has the intent and capability (including the necessary managerial, operational, technical and financial capability) of competing effectively in the waste disposal or hauling business; and
- (2) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer (or Acquirers) and Allied or Republic gives Allied or Republic the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

V. Appointment of Trustee

A. If defendants have not divested the Relevant Allied Assets and Relevant Republic Assets within the time period specified in Section IV(A), defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a trustee selected by the United States and approved by the Court to effect the divestiture of the Relevant Allied Assets and Relevant Republic Assets.

B. After the appointment of a trustee becomes effective, only the trustee shall have the right to sell the Relevant Allied Assets and Relevant Republic Assets. The trustee shall have the power and authority to accomplish the divestiture to an Acquirer[s] acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of Sections IV, V, and VI of this Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to Section V(D) of this Final Judgment, the trustee may hire at the cost and expense of defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestiture.

C. Defendants shall not object to a sale by the trustee on any ground other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to the United States and the trustee within ten (10) calendar days after the trustee has provided the notice required under Section VI.

D. The trustee shall serve at the cost and expense of defendants, on such terms and conditions as the plaintiff approves, and shall account for all monies derived from the sale of the assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of

the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the trustee and any professionals and agents retained by the trustee shall be reasonable in light of the value of the Relevant Allied Assets and Relevant Republic Assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount.

E. Defendants shall use their best efforts to assist the trustee in accomplishing the required divestiture. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the business to be divested, and defendants shall develop financial and other information relevant to such business as the trustee may reasonably request, subject to reasonable protection for trade secret or other confidential research, development, or commercial information. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestiture.

F. After its appointment, the trustee shall file monthly reports with the United States and the Court setting forth the trustee's efforts to accomplish the divestiture ordered under this Final Judgment. To the extent that such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Relevant Allied

Assets and Relevant Republic Assets, and shall describe in detail each contact with any such person. The trustee shall maintain full records of all efforts made to divest the Relevant Allied Assets and Relevant Republic Assets.

G. If the trustee has not accomplished such divestiture within six months after its appointment, the trustee shall promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations. To the extent that such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to the plaintiff who shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by the United States.

VI. Notice of Proposed Divestiture

A. Within two (2) business days following execution of a definitive divestiture agreement, defendants or the trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the United States of any proposed divestiture required by Section IV or V of this Final Judgment. If the trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Relevant Allied Assets and Relevant

Republic Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from defendants, the proposed Acquirer or Acquirers, any other third party, or the trustee if applicable additional information concerning the proposed divestiture, the proposed Acquirer or Acquirers, and any other potential Acquirer. Defendants and the trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from defendants, the proposed Acquirer or Acquirers, any third party, and the trustee, whichever is later, the United States shall provide written notice to defendants and the trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section V(C) of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer or upon objection by the United States, a divestiture proposed under Section IV or Section V shall not be consummated. Upon objection by defendants under Section V(C), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VII. Financing

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or V of this Final Judgment.

VIII. Hold Separate

Until the divestitures required by this Final Judgment has been accomplished, defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestitures ordered by this Court.

IX. Affidavits

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestiture[s] has been completed under Section IV or V, defendants shall deliver to the United States an affidavit as to the fact and manner of its compliance with Section IV or V of this Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Relevant Allied Assets and Relevant Republic Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts defendants have taken to solicit buyers for the Relevant Allied Assets and Relevant Republic Assets, and to provide required information to prospective purchasers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by defendants, including limitation on information, shall be made within fourteen (14) days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, defendants shall deliver to the United States an affidavit that describes in reasonable detail all

actions defendants have taken and all steps defendants have implemented on an ongoing basis to comply with Section VIII of this Final Judgment. Defendants shall deliver to the United States an affidavit describing any changes to the efforts and actions outlined in defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Relevant Allied Assets and Relevant Republic Assets until one year after such divestiture has been completed.

X. Compliance Inspection

A. For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of a duly authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:

- (1) access during defendants' office hours to inspect and copy, or at plaintiff's option demand defendants provide copies of, all books, ledgers, accounts, records and documents in the possession or control of defendants, who may have counsel present, relating to any matters contained in this Final Judgment; and
 - (2) to interview, either informally or on the record, defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters.
- The interviews shall be subject to the interviewees' reasonable convenience and

without restraint or interference by defendants.

B. Upon the written request of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit such written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then the United States shall give defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XI. No Reacquisition

Defendants may not reacquire any part of the Relevant Allied Assets or Relevant Republic Assets during the term of this Final Judgment.

XII. Revisions to Contracts

A. Allied and Republic shall alter the contracts each uses with its small container

solid waste commercial customers in each of the markets specified below to the form contained in paragraph XII (B) below.

B. In each of the markets specified below and for the defendant acquiring the assets as indicated, Allied or Republic shall offer contracts to all new small container solid waste commercial customers as well as to existing customers that sign new contracts for small container solid waste commercial service effective on or after the date that one defendant acquires the other's assets in accordance with the following conditions. No contract shall:

- (1) have an initial term longer than two (2) years;
- (2) have any renewal term longer than one (1) year;
- (3) require that the Customer give Defendants notice of termination more than thirty (30) days prior to the end of any initial term or renewal term;
- (4) require that the Customer pay liquidated damages in excess of three times its average monthly charge during the first year the Customer has had service with the Defendant; and
- (5) require that the Customer pay liquidated damages in excess of two times its average monthly charge after the first year the Customer has had service with the Defendant.

The contract attached as Exhibit A would satisfy the above conditions.

The applicable defendant shall offer such contracts to all other current small container solid waste commercial customers in the respective markets detailed below on or before December 1, 2000:

Defendant	Cities	Counties or Areas
Allied	Albany, NY	Albany, Schenectady, Saratoga, and Rensselaer counties, NY
Allied	Augusta, GA	Richmond and Columbia counties, GA; and Aiken County, SC
Allied	Clarksville, TN	Montgomery, Dickson, Cheatham, and Robertson counties, TN
Republic	Columbus, OH	Franklin and Delaware counties, OH
Allied	Gulf Coast, FL	Escambia, Santa Rosa, and Okaloosa counties, FL
Republic	Lakeland, FL	Polk County, FL
Republic	Louisville, KY/ Sellersberg, IN	Jefferson County, KY; and Floyd and Clark counties, IN
Republic	Macon, GA	Bibb, Houston, Peach, Jones and Monroe counties, GA
Republic	Marlboro, NJ	Monmouth County, NJ
Republic	Mt. Laurel, NJ	Burlington and Camden counties, NJ
Allied	Norfolk, VA	Chesapeake, Suffolk, Virginia Beach, Norfolk, Poquoson, Newport News, and Portsmouth, and York, Surry, James City, Southampton, and Isle of Wight counties, VA

The defendant acquiring small container assets in each specified area agrees that it will not attempt to enforce any contract term affecting small container customers in the specified area that

conflicts with or is inconsistent with the above terms, even if those customers choose not to sign a contract with the new terms.

C. In accordance with paragraph XII (D) below, Republic shall alter the contracts it uses with the roll-off customers in Bibb, Houston, Peach, Jones and Monroe counties, Georgia, except those customers that regularly rent or lease compactors from Republic for their roll-off containers.

D. The revised roll-off contracts shall comply with the following conditions:

- (1) No contract shall contain an initial term of greater than three (3) years.
- (2) During the first year that the company is a customer of Republic, the customer may be forced to pay liquidated damages of no more than six (6) times its prior average monthly charges if the contract is terminated by the customer in manner inconsistent with the termination provisions contained in the agreement. During the second year that the company is a customer of Republic, the customer may be forced to pay liquidated damaged of no more than four (4) times its prior average monthly charges if the contract is terminated by the customer in a manner inconsistent with the termination provisions contained in the agreement. After the company is a customer of Republic for two years, the customer may be forced to pay liquidated damages of no more than two (2) times its prior average monthly charges if the contract is terminated by the customer in a manner inconsistent with the termination provisions contained in the agreement.

(3) No roll-off contract may have automatic renewals for terms of more than one (1) year.

E. Republic shall offer roll-off contracts in compliance with these requirements to all new roll-off customers, except those customers that regularly rent or lease one or more compactors from Republic for their roll-off containers (hereinafter referred to as “compactor customers”), as well as to existing roll-off customers, except for compactor customers, that sign new contracts for non-compactor service effective on or after the date that Republic acquires Allied’s Macon, Georgia assets in accordance with the terms of this Final Judgment. Defendant shall further offer such revised contracts to all of their other non-compactor roll-off customers in Bibb, Houston, Peach, Jones and Monroe counties, Georgia on or before December 1, 2000. Republic agrees that it will not attempt to enforce any term of its current contracts with roll-off contract customers, except for compactor customers, in the Macon area that is inconsistent with the conditions specified above, even if its customers, except for compactor customers, choose not to sign a contract with the new terms.

XIII. Retention of Jurisdiction

This Court retains jurisdiction to enable any party to this Final Judgment 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 Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

XIV. Expiration of Final Judgment

Unless this Court grants an extension, this Final Judgment shall expire ten years from the date of its entry.

XV. Public Interest Determination

Entry of this Final Judgment is in the public interest.

Date:

12-14th-00

Court approval subject to procedures
of Antitrust Procedures and Penalties
Act, 15 U.S.C. § 16


UNITED STATES DISTRICT JUDGE

EXHIBIT A

FILED

DEC 13 2000

**NANCY WATKINS TINGSTON, CLERK
U.S. DISTRICT COURT**

Contract for Solid Waste Services

Date: _____

Service location (which Business Name shall be deemed to include all locations to which the identified location is relocated or reestablished.)

Business Name

Street No. & Name _____

City Zip _____

Telephone _____ Fax _____

Dear _____

Thank you for choosing [Name of Company] as your waste services company. Our aim is to provide this essential service so responsibly and dependably that you don't need to give it a second thought. We will do our best to keep you satisfied and want you to tell us when we don't. This contract will continue in effect for two years and will renew for successive one-year periods unless terminated in writing at least 30 days prior to the end of a period. You may also terminate when appropriate under "Our Guaranty."

Our Mission

Our Mission is to provide the highest quality waste collection, transportation, processing disposal and related services to both public and private customers worldwide. We will carry out our Mission efficiently, safely and in an environmentally responsible manner with respect for the role of government in protecting the public interest.

Our Guaranty

We guarantee the quality of our waste services. If our services do not measure up to the standards described in this contract, and we do not correct the problem within 48 hours (excluding Sundays) after we receive written notice from you (unless the problem is caused by circumstances outside our reasonable control), you may terminate our services and this contract without penalty.

Our Responsibilities

1. The specific services we will provide, and the schedule and initial charges for each service, are listed below. We will give at least 30 days written notice if we increase our charges, which we reserve the right to do from time to time proportionately in connection with increases in cost for disposal, longer transportation distances, fuel, regulatory compliance, taxes, and increases in average weight per container yard. In connection with increases in the cost of disposal, we frequently do not receive advance notice of increases. We reserve the right to pass on to you such increases without 30 days advance notice but will give you as much notice as possible. Customers will be provided in writing with the formula used in calculating increases based upon increases in disposal fees. We will advise Customer in writing of the reason for the increase and do our best to satisfy any concerns you have about any increases. Any other type of price increase requires your written consent.

2. Our employees will be friendly, courteous and responsive. They will, in writing, have gone through a customer satisfaction and safety training program, and will provide quality, professional service.

3. We will provide and maintain the equipment you need for the deposit and other handling of the materials that we have agreed to pick up from you.

4. We are committed to making every pick-up as scheduled, but if we are unable to do so, we will make every effort to let you know in advance and reschedule it within 24 hours.

Your Responsibilities

1. You agree that [Name of Company] will provide the specified services for all your nonhazardous waste. You agree not to deposit any radioactive, volatile, corrosive, highly flammable, explosive, infectious, toxic or hazardous waste in our equipment and will indemnify us from resulting liabilities if you do. Anything else that is deposited in our truck becomes our property at that time.

2. You agree to provide us with access to our equipment over surfaces that can sustain the weight and operation of our vehicles. You also agree not to overload (by weight or volume), abuse or move our equipment, but if it does need to be moved, you will call us.

3. You agree to use your best efforts to keep people from coming into contact with our equipment other than those who are authorized and trained to use it.

4. You agree to pay our bills monthly, within ten days after they are received. We reserve the right to charge a late fee on all past due payments.

5. If you terminate this contract during your first 10 months as an [Name of Company] customer (other than as provided under "Our Guaranty"), you agree to pay us, as liquidated damages and not as a penalty, three times your prior average monthly charges. If you terminate after you have been an [Name of Company] customer for more than 10 months (other than as provided under "Our Guaranty"), you agree to pay us as liquidated damages an amount equal to two months average charges.

We look forward to a long-lasting relationship; so please let us know if you have any problems or concerns as they occur and give us the opportunity to provide solutions. As we deliver our services, we will continuously look for ways to keep you satisfied.

CERTIFICATE OF SERVICE

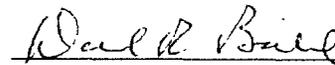
I hereby certify that a copy of the foregoing has been served upon Allied Waste Industries, Inc. and Republic Services, Inc. by placing a copy of this Hold Separate Stipulation and Order and proposed Final Judgment in the U.S. Mail, postage prepaid directed to each of the parties in this matter, on this 2nd day of June, 2000.

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