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

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Petitioner,

v.

REPUBLIC SERVICES, INC.,

Respondent.

Supplemental to
Civil Action No. 00-1469 – RU

Judge Ricardo M. Urbina

SETTLEMENT AGREEMENT AND ENFORCEMENT ORDER

WHEREAS Petitioner United States and Respondent Republic Services, Inc. ("Republic"), having filed a Joint Motion for Entry of this Settlement Agreement and Enforcement Order on November 30, 2004, and Republic, having consented to the entry of this Settlement Agreement and Enforcement Order without trial or adjudication of any issue of fact or law herein, and without this Settlement Agreement and Enforcement Order constituting any evidence against or an admission by Republic with respect to any allegation contained in the Joint Motion;

AND WHEREAS Republic agrees to be bound by the provisions of this Settlement Agreement and Enforcement 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 Final Judgment ("FJ")

entered by this Court on September 8, 2000, in United States v. Allied Waste Indus., Inc., and Republic Servs., Inc., Civil Action No. 00-1469.

II.
APPLICABILITY AND EFFECT

- A. The provisions of this Settlement Agreement and Enforcement Order shall be binding upon Republic, its successors and assigns, and those persons in active concert or participation with Republic who receive actual notice of this Settlement Agreement and Enforcement Order.
- B. This Settlement Agreement and Enforcement Order constitutes a full and complete disposition of Republic's alleged violation of Paragraphs XII.A and B of the FJ, and shall be a bar to any proceeding under the antitrust laws (15 U.S.C. § 1, *et seq.*, 18 U.S.C. § 401) or any provision of the FJ by the United States against Republic based on or arising out of any violation of Paragraphs XII.A and B in Columbus, OH; Lakeland, FL; Louisville, KY/Sellersburg, IN; Macon, GA; Marlboro, NJ; and Mt. Laurel, NJ from September 8, 2000, to November ~~30~~, 2004.
- C. Nothing in this Settlement Agreement and Enforcement Order shall bar the United States from seeking, or the Court from imposing on Republic, any other relief available under any applicable provision of law for any violation of the FJ or this Settlement Agreement and Enforcement Order, other than violations of Paragraphs XII.A and B of the FJ in Columbus, OH; Lakeland, FL; Louisville, KY/Sellersburg, IN; Macon, GA; Marlboro, NJ; and Mt. Laurel, NJ from September 8, 2000, to November ~~30~~, 2004.

III.
CIVIL PENALTY

- A. Judgment is entered in this matter in favor of the United States and against Republic, and Republic is hereby ordered to pay a civil penalty in the amount of \$1.5 million.
- B. Payment shall be made by wire transfer of funds to the United States Treasury through the Treasury Financial Communications System or by cashier's check made payable to the Treasurer of the United States and delivered to the Chief, FOIA Unit, Antitrust Division, Department of Justice, Liberty Place, 325 Seventh Street, N.W., Suite 200, Washington, D.C. 20530. Republic shall pay the full amount of the civil penalty within thirty (30) days of entry of this Settlement Agreement and Enforcement Order.
- 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. Republic shall not claim this payment, in whole or in part, as a deductible expense by Republic, 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.
ENFORCEMENT PROVISIONS

- A. Republic shall alter its standard contract forms for its small container commercial solid waste collection ("SCCSWC") customers in each of the six geographic regions identified in Paragraph XII.B of the FJ, except in those regions where the contract forms have already been so modified, and the contract forms shall contain the terms and conditions set forth in Paragraph XII.B of the FJ ("Standard Contract"). Standard contract forms may contain terms and conditions more restrictive than those set forth in Paragraph XII.B of the FJ if required by local law.
- B. Effective immediately, the Standard Contract shall be offered to all new SCCSWC customers and existing customers that sign new contracts.
- C. Within one hundred eighty (180) days of the entry of this Order, Republic shall exchange any SCCSWC customer contract in each of the six markets identified in Section XII of the FJ that contains any term or condition that exceeds those set forth in Paragraph XII.B of the FJ with the Standard Contract. In the event that any customer does not consent to Republic's proposal to exchange its customer contract, Republic shall communicate to the customer in writing, in a form approved by the United States, that (1) Republic has offered to exchange the customer's current contract with the Standard Contract; (2) the customer has declined to accept Republic's proposed exchange of contracts; and (3) notwithstanding the customer's decision, Republic shall not be entitled to enforce—and shall not enforce—any terms of the customer's current contract that are less favorable to the customer than the terms contained in the Standard Contract. Republic shall include a copy of the Standard Contract with the written communication.
- D. If a new or existing customer offered the Standard Contract requests any term or condition that exceeds those set forth in Paragraph XII.B of the FJ, any such term or condition shall be hand-written on the Standard Contract, and Republic shall obtain the customer's initials next to such hand-written term or condition.
- E. The Standard Contract is enforceable by the customer and Republic, except terms and conditions that exceed those set forth in Paragraph XII.B of the FJ are not enforceable by Republic pursuant to the FJ.

V.
COMPLIANCE PROVISIONS

- A. No later than fifteen (15) days after the entry of this Settlement Agreement and Enforcement Order, Republic shall designate a Compliance Officer who was not involved, directly or indirectly, in any conduct alleged in the Joint Motion By The United States And Republic Services Inc. For Entry Of Settlement And Enforcement Order, to oversee and coordinate compliance with the FJ and this Settlement Agreement and Enforcement Order. Republic shall provide the name of the individual serving as the Compliance Officer to the United States.
- B. No later than thirty (30) days after the entry of this Settlement Agreement and Enforcement Order, Republic shall create and provide to the United States a written directive setting forth Republic's policies regarding compliance with the FJ and this Settlement Agreement and Enforcement Order, including a description of the procedures to be followed and the potential disciplinary actions Republic shall take in the event of a violation. No later than forty-five (45) days after the entry of this Settlement Agreement and Enforcement Order, Republic shall distribute to each officer, director, management employee, and employee with responsibility for contracts with SCCSWC customers a copy of the FJ, this Settlement Agreement and Enforcement Order, and the written directive setting forth Republic's policies regarding compliance with the FJ and this Settlement Agreement and Enforcement Order. In addition, Republic shall inform in writing each officer, director, management employee, and employee with responsibility for contracts with SCCSWC customers that noncompliance with the FJ or this Settlement Agreement and Enforcement Order shall result, in every instance, in disciplinary action by Republic, which may include dismissal and also may result in conviction for contempt of court and imprisonment and/or a fine.
- C. No later than sixty (60) days after the entry of this Settlement Agreement and Enforcement Order and annually thereafter, Republic shall obtain from each person to whom notice is given pursuant to Paragraph V.B of this Settlement Agreement and Enforcement Order, a certificate in substantially the following form:

The undersigned hereby (1) acknowledges receipt of the FJ, Settlement Agreement and Enforcement Order, and a written directive setting forth Republic's policy regarding compliance with the FJ and the Settlement Agreement and Enforcement Order; (2) represents that the undersigned has read such FJ, Settlement Agreement and Enforcement Order, and written directive and understands his or her obligations for ensuring compliance with the FJ and the Settlement Agreement and Enforcement Order; (3)

acknowledges that he or she has been advised and understands that noncompliance with the FJ and/or the Settlement Agreement and Enforcement Order shall result, in every instance, in disciplinary measures by Republic which may include dismissal and also may result in conviction for contempt of court and imprisonment and/or a fine; and (4) represents and affirms that he or she (a) is not aware of any violations of the FJ or Settlement Agreement and Enforcement Order occurring after entry of the Settlement Agreement and Enforcement Order, or (b) promptly notified the Compliance Officer of any violations of which he or she has become aware.

All such certifications shall be retained by Republic and be available for inspection pursuant to Section X of the FJ.

- D. No later than ninety (90) days after the entry of this Settlement Agreement and Enforcement Order, and annually thereafter, Republic shall submit to the United States a certificate signed under oath by the Compliance Officer representing that: (1) all steps required by this Settlement Agreement and Enforcement Order and the FJ have been accomplished, except for Paragraph IV.C above, to which Paragraph V.E below applies; (2) the Compliance Officer either: (a) is not aware of, nor has been informed of, any violations of either this Settlement Agreement and Enforcement Order or the FJ after the entry of the Settlement Agreement and Enforcement Order; or (b) has reported all such violations to the United States; and (3) the Compliance Officer has made a reasonable, good faith effort to investigate any suspected violations of this Settlement Agreement and Enforcement Order and/or the FJ of which the Compliance Officer has become aware. Any such suspected violations and any investigation conducted by Republic shall be described in the certification.
- E. No later than one hundred eighty (180) days after the entry of the Settlement Agreement and Enforcement Order, Republic shall submit to the United States a certificate signed under oath by the Compliance Officer acknowledging that Republic has complied with Paragraph IV.C above.

VI. VISITORIAL RIGHTS PRESERVED


The monitoring and visitation provisions of Section X of the FJ shall apply to the activities of Republic mandated under this Settlement Agreement and Enforcement Order.

VII.
DURATION OF SETTLEMENT AGREEMENT AND ENFORCEMENT ORDER

This Settlement Agreement and Enforcement Order shall terminate upon the expiration of the FJ, including any extensions.

VIII.
RETENTION OF JURISDICTION

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Settlement Agreement and Enforcement 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 Enforcement Order, for the enforcement of compliance herewith, and for the punishment of any violations hereof.


Hon. Ricardo M. Urbina
United States District Court Judge
District of Columbia

DATED: 11-30-01