

## **Service Terms for Residential Subscription Customers**

If you are a residential subscription customer (“Customer”) receiving curbside services from Priority Waste without a signed service agreement, and you are independent from any municipal/government contracts, then Customer’s services are provided pursuant to the terms on Customer’s invoice and the terms disclosed herein (“Agreement”). “Company” is used herein to describe Priority Waste and the operating subsidiary that provides service to you under the Priority Waste brand.

### **Responsible party**

All waste and/or recycling services are managed, performed, and billed for by individual operating subsidiaries of Company and/or by Company itself. The operating entity providing your service is identified on your invoice. Accordingly, all obligations to Customer, including providing quality service and billing Customer for service, rests with the operating entity identified on Customer’s invoice. Any claims Customer may have relating to service may be brought only against that operating entity.

### **Term; billing; payment**

The initial term of this Agreement for the Customer is for twelve months, and this term automatically renews for an additional twelve months upon the annual anniversary of the Customer’s service start date, unless Customer advises Company in writing, via certified mail with return receipt requested, of cancellation at least ninety days, but no more than one-hundred-eighty days, prior to the automatic renewal date. By paying the invoice(s), Customer agrees to the terms set forth herein. If the Customer terminates this agreement before its expiration or the if the Company terminates the agreement as a result of a breach by the Customer (including, but not limited to, non-payment), Customer shall pay the Company an early termination fee of a minimum of \$150.00. Customer’s payment is due to Company pursuant to the terms set forth on Company’s invoice(s). Company may terminate this Agreement upon seven days notice to Customer. Customer shall pay to Company a minimum fee of fifty (\$50) dollars for each check submitted by Customer that is an insufficient funds check or is returned, cancelled, failed and/or dishonored.

### **Service changes; rate adjustments**

If Customer requests a service modification during any Term, those charges will be reflected on Customer’s next invoice for the following Term. Company reserves the right to change or increase Customer’s rates, charges and fees at its discretion with notice to Customer, which notice will be in the form of a change on your invoice or these service terms. By paying an invoice or continuing services after a rate, charge, term or condition, or fee change, Customer is agreeing to such change.

### **Rates increases, charges and fees**

The types and amounts of charges and fees applicable to Customer’s service as of your service start date were disclosed to you at the time of your order. For more information regarding those charges, fees and rate increases, please see below:

- Fuel Recovery Fee

The Fuel Recovery Fee (“FRF”) is an enterprise-wide recurring fee that is a fluctuating percentage of all invoice charges, except the ERF and taxes. It is not a tax, surcharge or fee mandated by or remitted to any governmental or regulatory agency. The FRF is intended to help our businesses recover both direct and indirect fuel, petrochemical, electric, and compressed natural gas costs associated with the operation of collection, transfer, landfill and recycling services and facilities nationwide, and it includes an amount designed to achieve an acceptable operating margin. Each monthly FRF rate is determined by cross-referencing Company’s FRF Table posted at PriorityWaste.com with the peak weekly diesel price per gallon, published in the 30-day period ending on the 15th of the month, as reported by the U.S. Department of Energy Information Administration index. Company monitors those costs regularly and reserves the right to change its method of determining the FRF at its discretion. Your FRF will be combined with your ERF on your invoice.

- Rate Increases

Throughout the course of providing service, Company may increase Customer’s rates for service. Rate increases are necessitated over time to keep up with increasing costs of operations and to ensure Company is maintaining an acceptable operating margin and/or an acceptable rate of return on its investment in the services provided, which will be in the form of a change on Customer’s invoice. Company reserves the right to determine in its sole discretion the amount of all rates and rate increases. Customer’s invoice will provide notice of the rates for service during the Term covered by such invoice. If Customer does not accept such rates, Customer may cancel service in accordance with the terms of this Agreement.

- Container Delivery and Removal Fees

The operating subsidiary providing your service will provide containers (in some cases for a rental charge) for Customer’s convenience with respect to the collection and on-site storage of Customer’s solid waste and recyclable materials. Container delivery and removal fees are intended to offset Company’ operational costs of sending a truck to deliver container(s) at the start of service and removing container(s) when service terminates, as well as costs related to cleaning, repairs and refurbishment of the containers following Customer’s use. Container delivery and removal fees are set by each operating subsidiary and are subject to change at any time at that operating subsidiary’s discretion. Container delivery and removal fees are charged at the operating subsidiary’s prevailing rate at the time of delivery or removal for Invoice-to-Invoice Customers; however, neither container delivery fee nor container removal fee will exceed one-hundred dollars per container.

- Service Interruption/Resume Service Charge

If Customer fails to pay any invoice on or before its due date, Company reserves the right to suspend your service until payment of all outstanding invoices clears. Company also reserves the right to charge Customer a service interruption and/or resume service fees. Service interruption/resume service fees are intended to mitigate some of Company’ loss of return on the container assets in the Customers’ possession and for the interruption in its business and costs associated with stopping and restarting service. Service interruption/resume service fees are charged at the operating subsidiary’s prevailing rate at the time of service interruption/resume service for Invoice-to-Invoice Customers; however, your service interruption/resume service fee will not exceed seventy-five dollars.

- Late Payment Fee

If Customer fails to pay an invoice on or before its due date, Company reserves the right to charge Customer a late payment fee. Late payment fees are intended to help Company recover its costs incurred in managing Customers' unpaid accounts. Late payment fees are set by Company and are subject to change at any time at Company's discretion; however, Customer's late payment fee will not exceed the greater of five-dollars or up to 10% of the applicable charges, subject to applicable law.

- Taxes

Some services provided by Company (including equipment rental) may be subject to state, local and/or franchise taxes or fees. If applicable, such state, local and/or franchise taxes or fees will be separately itemized on your invoice, collected by the Company and submitted to the appropriate taxing authority and/or franchise authority.

- Convenience Fee

A Convenience Fee may be charged by Company for purposes of processing electronic payments, such as credit card processing, where costs are incurred by Company in accepting such payments.

- MISCELLANEOUS.

This Agreement sets forth the entire agreement of the parties and supersedes all prior agreements, whether written or oral, that may exist between the parties regarding the subject matter of this Agreement. Company shall have no confidentiality obligation with respect to any Waste Materials. All calls to and from Company are recorded and monitored for record-keeping, training and quality assurance purposes. This Agreement shall be binding upon and inure solely to the benefit of the parties and their permitted assigns. Company may subcontract services at its sole

discretion. If any provision of this Agreement shall be invalid, illegal or unenforceable, it shall be modified so as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected thereby. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Michigan. Customer consents to personal jurisdiction and venue in the courts for the County of Macomb, State of Michigan. Customer and Company agree that electronic signatures are valid and effective, and that an electronically stored copy of this Agreement constitutes proof of the signature and contents of this Agreement, as though it were an original.

Dispute resolution-agreement to arbitrate and class action waiver

**READ THIS PROVISION CAREFULLY AS IT WILL HAVE A SUBSTANTIAL IMPACT ON HOW LEGAL CLAIMS ARE RESOLVED.** Except for claims relating to non-payment, any and all other disputes or claims between Customer and Company, whether such claim or dispute arises in contract, tort, fraud, under statutory or common law, or otherwise ("Claim"), will be submitted to mandatory, binding arbitration before the American Arbitration Association ("AAA") in the state of Customer's residence before one arbitrator, and/or in Macomb

County, MI, at Company's sole discretion. The AAA will conduct any arbitration pursuant to this Agreement under the Consumer Arbitration Rules in effect at the time the arbitration is commenced. For explanation of those rules, please consult the AAA website at [www.ADR.org](http://www.ADR.org). The decision of any such arbitrator shall be binding and conclusive, and the arbitrator may not consolidate more than one person's Claims and may not preside over any form of a representative or class proceeding. Instead of arbitration, Customer may sue Company in small claims court if Customer's claim meets the court's requirements. For any Claim subject to arbitration, small claims court, or otherwise, pursuant to these terms and conditions, no party will have the right to participate in a class action in court or in arbitration or join or consolidate a Claim with claims of any other person.