

Torre Refuse & Recycling, LLC

APPLICATION FOR A SOLID WASTE COLLECTION COMPANY CERTIFICATE

Type of Solid Waste Authority Requested	Fee Required
<p><u>Permanent Authority</u> – (check appropriate box below) Complete entire application and submit a proposed tariff as outlined in the standard tariff form. (<u>WAC 480-70-091</u>)</p> <p><input type="checkbox"/> New Certificate</p> <p><input type="checkbox"/> Extension of Certificate G-_____</p> <p><input checked="" type="checkbox"/> Transfer of authority – Certificate G-<u>169</u></p> <p> ○ Complete Attachment B</p> <p><input type="checkbox"/> Lease of authority – Certificate G-_____</p> <p> ○ Complete Attachment B</p> <p><input type="checkbox"/> Reinstatement of cancelled authority – Certificate G-_____ (must be filed within 30 days of cancellation). Include a statement justifying the reinstatement and complete sections 1, 2, and 8</p>	<p>\$200</p> <p style="text-align: center;">RECEIVED MAY 15 2015 WASH. UT. & TP. COMM</p>
<p><u>Temporary Authority</u> – (<u>WAC 480-70-131</u>)</p> <p><input type="checkbox"/> New temporary authority</p> <p> ○ Complete Attachment A</p> <p><input type="checkbox"/> Temporary authority to operate pending a commission decision on a concurrently filed certificate application.</p> <p><input type="checkbox"/> Expedited temporary authority – to meet an immediate or urgent need for a period of not more than 30 days</p> <p> ○ Complete Attachment A</p>	<p>\$25</p>
<p><u>Name Change</u> – (<u>WAC 480-70-121</u>) There can be no change in ownership.</p> <p><input type="checkbox"/> Change of corporate name</p> <p><input type="checkbox"/> Change of trade name</p> <p><input type="checkbox"/> Addition or new trade name</p> <p><input type="checkbox"/> Change of surname of an individual owner or partner</p> <p> ○ Complete Attachment C</p>	<p>\$35</p>
<p><u>Mortgage</u> – including requests for permission to mortgage or otherwise encumber a certificate (<u>WAC 480-70-116</u>)</p> <p> ○ Complete Attachment D</p>	<p>\$35</p>

FOR OFFICIAL USE ONLY			
Date Filed: 5/18/15	Insurance: in file	Docket #-TG-	Cert Issued: G-
Staff Assigned: [Signature]	Tariff:	ID #: 142504	Map:
DOL/SOL: [Signature]	Receipt ID: 55184	227 02 032-05	Related App ID#:

001 111 0268 227 02 \$200.00 Pay ID: 041672

SECTION 1 – APPLICANT INFORMATION

Legal Name of Applicant: Torre Refuse & Recycling, LLC

Trade Name(s) (if applicable): Sunshine Disposal & Recycling

Business Address

Mailing Address (if different from Business Address)

Street: PO Box 13369

Street: _____

City/State/Zip: Spokane Valley, WA 99213

City/State/Zip: _____

Phone Number: 509-924-5678

Fax Number: 509-252-3500

Email: service@sunshinedisposal.com

USDOT number: 1956091

SECTION 2 – BUSINESS INFORMATION

Unified Business Identifier #: 602-373-036

State of Inc. WA

Type of business structure: Individual Partnership Corporation Other (LP, LLP, LLC)

List the name, title, and percentage of partner or member's share, or stock distribution for major stockholders.

<u>Name</u>	<u>Title</u>	<u>Stock Distribution or % of Shares</u>
<u>Marc Torre</u>	<u>Member</u>	<u>80%</u>
<u>Michael Torre</u>	<u>Member</u>	<u>20%</u>

Do you currently hold, or have you ever held a solid waste certificate?
 No Yes If yes, please indicate your certificate number: G-260

Have you ever applied for and been denied a certificate to transport solid waste?
 No Yes If yes, please explain: _____

Indicate the commodity to be hauled: Solid Waste & Recyclables.

Please describe the territory in which you wish to operate, include the name, address, and county for disposal of waste and the name, address and county where residential recycling materials will be delivered. (NOTE: Territory must be described using boundaries such as streets, avenues, roads, highways, townships, ranges, city limits, county boundaries or other geographic description:

SOLID WASTE COLLECTION SERVICE limited to 10, 12, 14, 20, 30, and 40 yard drop box service within the city limits of the City of Republic.

SOLID WASTE COLLECTION SERVICE in Ferry County excluding the City of Republic.

SOLID WASTE COLLECTION SERVICE in that portion of Okanogan County described as follows: Commencing at the southwest corner of Section 31, T37N, R31E; thence north to the southwest corner of Section 7, T37N, R31E; thence west along the south line of Section 12, T37N, R30E, extended to the southeast corner of Section 9, T37N, R30E; thence north along the east line of said Section 9 to the southwest corner of Section 3, T37N, R30E; thence east along the south line of said Section 3 to the southwest corner of Section 2, T37N, R30E; thence north along the west line of said Section 2 extended to the northwest corner of Section 23, T38N, R30E; thence east along the north line of said Section 23 extended to the northeast corner of Section 24, T38N, R30E; thence north along the east line of Section 13, T38N, R30E extended to the northwest corner of Section 6, T40N, R31E; thence east to the northeast corner of Section 1, T40N, R31E, thence south along the Douglas/Ferry County line to the southeast corner of Section 36 T37N, R31E; thence west along the south line of said Section 36 extended to the southwest corner of Section 31, T37N, R31E, the point of beginning.

Please attach a map that meet the requirements of WAC 480-70-056 and clearly shows the territory described above. *Map is Attached*

State below the conditions that justify granting of this application. If you are applying for temporary certificate authority, be sure your statement addresses and support the question of "immediate and urgent need": _____
We have agreed to purchase the assets of Couse Sanitation and Recycle, Inc. G-169

Please tell us about your experience and knowledge of transportation or solid waste, including knowledge of motor carrier driver and equipment safety requirements: _____
Torre Refuse & Recycling, LLC currently holds Certificate G-260. We have extensive experience operating under this authority, including knowledge of all motor carrier and safety rules. _____

Have you been cited for violation of state laws or Commission rules? No Yes
If yes, please explain: _____

SECTION 3 – FINANCIAL STATEMENT

Please include a Balance Sheet, Profit and Loss Statement, or business plan.

****See Attached****

SECTION 4 - RATES AND TARIFFS

Is this application to operate under a contract? No Yes If yes, submit a copy of each contract under which service will be performed. The contract must contain all the elements states in WAC 480-70-146.

If this application is for temporary authority, a new certificate, or extension of existing certificated authority, you must attach a copy of your proposed tariff using either the standard tariff format included in this package, or an approved alternate format. All tariffs must comply with the provisions of WAC 480-70-226 through WAC 480-70-351.

If this application is for a transfer or lease of authority from an existing certificate, you must either file a new tariff at the same rate levels as on file, or you must adopt the current certificate holder's tariff. To file a new tariff, use the standard tariff format (www.utc.wa.gov) or you must seek approval to use an alternate format.

Indicate which option you will use: Check one - Adopt File New Tariff

SECTION 5 - EQUIPMENT LIST

Describe the equipment that will be used (attach additional sheets if necessary)

Ownership: Lease, own, or plan to purchase?	Year	Make	License Number	Vehicle ID number	Gross Vehicle Weight	Type of Vehicle
Plan to Purchase	2011	Freightliner	B43178R	1FVAC2BSXBHBA6064	34,000	R/L
Plan to Purchase	2006	Freightliner	A75922Y	1FVAC2DJ36HW13125	34,000	R/L
Plan to Purchase	1993	International	A68368P	2HSFHCSR5PC063279	34,000	R/O

SECTION 6 - SAFETY AND OPERATIONS

In each of the categories show below, list the person and position responsible for understanding and complying with the Federal Motor Carrier Safety Regulations (FMCSR) and Washington State laws and rules. Please refer to the WAC rules, Fact Sheets, and publication "Your Guide to Achieving a Satisfactory Safety Rating" for assistance with requirements that may apply to your specific operations.

SAFETY RESPONSIBILITIES

COMMERCIAL DRIVERS LICENSE (CDL) REQUIREMENTS (Title 49, Code of Federal Regulations Part 383) Any driver who operates a vehicle that meets the definition of a commercial motor vehicle must have a valid CDL.

Name: Marc Torre

Position: Member

DRIVER QUALIFICATION REQUIREMENTS (Title 49, Code of Federal Regulations Part 391) Driver's must meet minimum qualification requirements and each company must maintain driver qualification files for each driver.

Name: Marc Torre

Position: Member

DRIVERS HOURS OF SERVICE (Title 49, Code of Federal Regulations Part 395) Drivers must maintain logs and each company must maintain true and accurate hours of service records for each driver.

Name: Marc Torre

Position: Member

CONTROLLED SUBSTANCES AND ALCOHOL TESTING (Part 382) All persons who drive commercial vehicles requiring a CDL must be in a Controlled Substance and Alcohol Testing program that complies with the FMCSR in 49 CFR Part 382 and 49 CFR Part 40.

Each company will have in place a system for complying with FMCSR governing alcohol and controlled substances testing requirements (49 CFR Part 382 and 49 CFR Part 40).

Name: Marc Torre

Position: Member

INSPECTION, REPAIR AND MAINTENANCE (Title 49, Code of Federal Regulations Part 396) Every motor carrier shall systematically inspect, repair, and maintain all motor vehicles subject to its control.

Name: Marc Torre

Position: Member

OPERATIONAL RESPONSIBILITIES

TARIFF RATES AND CHARGES (WAC 480-70-226 through WAC 480-70-351) Companies must file with the Commission a tariff showing all rates and charges it will charge its customers, together with rules that govern how rates and charges will be assessed.

Name: Marc Torre

Position: Member

ANNUAL REPORTS and REGULATORY FEES (WAC 480-70-071 & 076) Companies must annually file a report of their financial operations and pay regulatory fees.

Name: John Lloyd

Position: Chief Financial Officer

BIOMEDICAL WASTE (WAC 480-70-426 through 476) Companies that transport biomedical waste must handle and transport that waste according to the appropriate requirements of the federal hazardous materials regulations (49 CFR Parts 170-189) and the additional requirements in these rules.	
Name: Marc Torre	Position: Member
CUSTOMER SERVICE –Person responsible for customer service complaints, customer notice requirements, and compliance with county solid waste plans.	
Name: John Lloyd	Position: Chief Financial Officer
STATE OF WASHINGTON – general laws, rules and regulations: Individuals and companies doing business in the state of Washington must comply with the regulations of local, state, and federal agencies. Please state the name and position of the person in your organization who will be responsible for ensuring compliance with the laws of the state of Washington, such as, <u>but not limited to:</u> Department of Labor and Industries (industrial insurance, safety, prevailing wage); Department of Licensing (vehicle and drivers licenses, business licensing, Unified Business Identifier (UBI number), fuel permits, fuel tax); Secretary of State (corporate registrations); Department of Transportation (over-size or over-weight permits); Department of Revenue, Internal Revenue Service (taxes); and Employment Security.	
Name: Marc Torre	Position: Member

SECTION 7 – HEARING INFORMATION

If the Commission assigns this application for formal hearing, estimate the number of witnesses you will present and the amount of time you will need for your presentation.	
Number of witnesses: 1	Amount of time: ½ Hr
Will an attorney be representing you? If yes, complete the following:	
Attorney's name: David Wiley	Attorney's phone number: 509-628-6600
Attorney's address: Street Two Union Street City, State, Zip Seattle, WA 98101	Fax Number: 206-628-6611
	E-mail: dwiley@williamskastner.com

SECTION 8 - DECLARATION OF APPLICANT

I understand that filing this application **does not** in itself constitute authority to operate as a solid waste collection company. As the applicant for a solid waste collections company certificate, I understand the responsibilities of a solid waste collection company, and I am in compliance with all local, state, and federal regulations governing business in the state of Washington. I certify under penalty of perjury under the laws of the State of Washington that the information contained in this application is true and correct.

Printed name of applicant: Marc Torre

Signature of application:  Title: Member

Date: May 12, 2015 County/State: Spokane / Washington

ATTACHMENT B

JOINT APPLICATION FOR TRANSFER OR LEASE OF CERTIFICATED AUTHORITY

This attachment must be completed when filing a joint application for permission to transfer or lease rights under Certificate of Public Convenience and Necessity: Certificate Number G-169

Check appropriate box:

Transfer All* Transfer Portion* Lease All** Lease Portion**

Couse's Sanitation and Recycle, Inc.
Current Name on Certificate (Seller/Lessor)

Current Trade Name on Certificate (Seller/Lessor)

22 Smith Drive Republic, WA 99166-8974
Address (Seller/Lessor)

509-775-3557
Phone Number

Have all fines and/or penalties been paid? No Yes
Has the closing annual report been filed? No Yes

Does the buyer/lessee agree to begin service as soon as the Commission authorizes the transfer or lease?
 Yes
 No If no, then when? July 1, 2015

If the Commission assigns this application for formal hearing, does both the seller/lessor and the buyer/lessee agree to be present at the hearing? Yes No

This application must include a map and copy of the certificate authority to be transferred/leased. If applying for permission to transfer or lease a portion of the certificated authority, then the application must include a map and description of both the portion to be transferred/leased and the portion to be retained by the existing certificate holder.

Both the seller/lessor and the buyer/lessee certify that this application is not made for the purpose of hindering, delaying or defrauding creditors.

We, as applicants, hereby jointly declare and affirm that all information is true and correct to the best of our knowledge.



Seller's/Lessor's Signature

5-11-2015 SPOKANE WA

Date, County, State

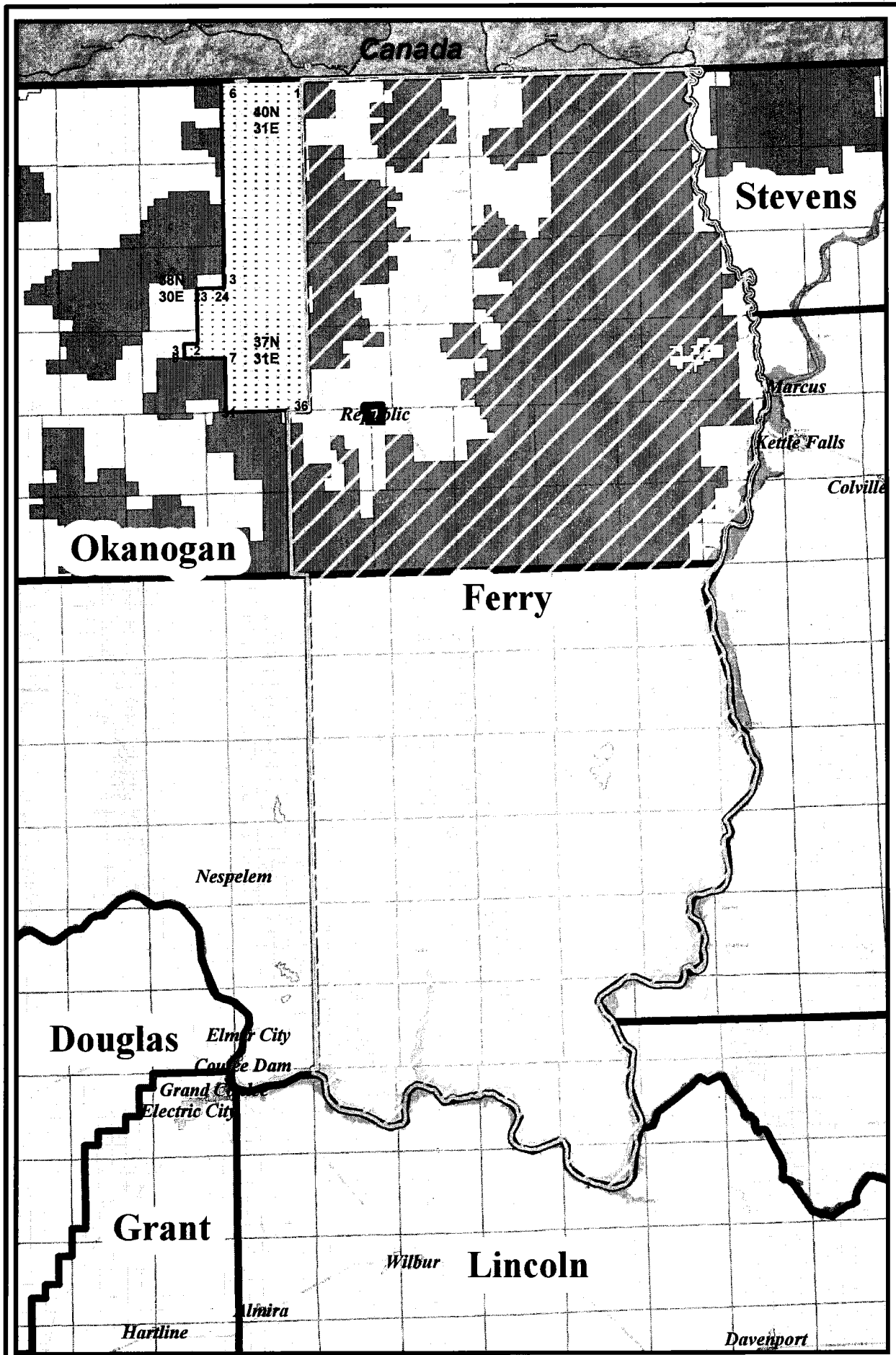


Buyer's/Lessee's Signature

5-11-2015 SPOKANE WA

Date, County, State

*If this application is for transfer, please attach a copy of the sales or other agreement to sell.



PID 215 Solid Waste Service
 PID 209 Solid Waste Service
 PID 216 Solid Waste Service - Limited to 10,12,14, 20,30, 40 yrd drop box Service, within the City of Republic.

Legend
 National Forest Service
 Section Line
 Township Line
 Highways
 Major Lakes/Water

UTILITIES AND TRANSPORTATION COMMISSION
 WASHINGTON STATE SOLID WASTE CERTIFICATE AUTHORITY
 November 2011
 Coase's Sanitation and Recycle, Inc. / Certificate G-009169
 Application: Docket No. TG-143649 Effective: 11-21-2014

UTC
 UTILITIES AND TRANSPORTATION COMMISSION
 For more information contact:
 Todd Brown 509 388-1241, Dorey 509 384-1244

**SCHEDULE 2
BALANCE SHEET - TOTAL COMPANY**

Complete this Balance Sheet in accordance with the end-of-year ledger figures as reflected in company books of account.

Line No.	Account Names (a)	Balance End of Year (c)
Current Assets:		
1	Cash and Working Funds	-\$36,568
2	Special Deposits	
3	Temporary Cash Investments	
4	Notes Receivable	
5	Receivables from Affiliated Companies	
6	Accounts Receivable	\$749,665
7	Less: Allowance for Uncollectables	\$29,579
8	Net Accounts Receivable	\$720,086
9	Prepayments	\$120,744
10	Materials and Supplies	
11	Other Current Assets	
12	Total Current Assets	\$804,262
Tangible Property:		
13	Solid Waste Operating Property (Schedule 2B, Line 12)	\$7,565,083
14	Less: Accumulated Depreciation (Schedule 2B, Line 22)	\$5,073,158
15	Net Solid Waste Operating Property	\$2,491,925
16	Non-Operating Property	
17	Less: Accumulated Depreciation	
18	Net Non-Operating Property	\$0
19	Total Net Tangible Property	\$2,491,925
Intangible Property:		
20	Organization, Franchises, and Permits	\$643,247
21	Accumulated Amortization - Credit	
22	Other Intangible Property	\$3,750
23	Accumulated Amortization - Credit	
24	Total Net Intangible Property	\$646,997
Other Assets and Deferred Items:		
25	Investment and Advances	\$668,640
26	Undistributed Earnings from Subsidiaries	
27	Deferred Debits	
28	Other Assets	
29	Total Other Assets and Deferred Items	\$668,640
30	Total Assets (add lines 12, 19, 24 and 29)	\$4,611,824

**SCHEDULE 3
INCOME STATEMENT**

Complete this Total Company Income Statement in accordance with the end-of-year accumulated figures as reflected in company books of account.

Line	Account Name	Total Company
(L)	(b)	(c)
Revenues		
1	Solid Waste Operating Revenues (Line 13d, Schedule 4)	\$9,593,207
2	Other	
3	<i>Total Revenues (Line 1 plus Line 2)</i>	\$9,593,207
Expenses		
4	Driver Wages and Benefits	\$1,386,269
5	Truck Operating Costs	\$753,711
6	Repair and Maintenance	\$1,022,733
7	Insurance and Safety	
8	Disposal and Processing	\$3,012,448
9	Depreciation	\$445,584
10	Selling and Advertising	
11	Office and Administration	\$1,325,787
12	Management Fees	
13	Taxes and Licenses	\$188,544
14	Rents	
15	Other Expenses	\$169,730
16	<i>Total Expenses before Other Items (add Lines 4 through 15)</i>	\$8,304,806
17	<i>Net Income before Other Items (Line 3 minus Line 16)</i>	\$1,288,401
Other Income and Expenses		
18	Other Income/(Loss)	-\$9,981
19	Interest, Dividends, and Other Investment Income/(Loss)	\$23,345
20	Distrib./Undistrib. Income/(Loss) from Subsidiaries	
21	Interest Expense	-\$16,201
22	Other Deductions	
23	Extraordinary Items (Net)	
24	<i>Total Other Income and Expenses (add Lines 18 through 23)</i>	-\$2,837
25	<i>Net Income before Federal Income Taxes (Line 17 plus Line 24)</i>	\$1,285,564
26	Federal Income Taxes	
27	Net Income (Loss) (Line 25 minus Line 26)	\$1,285,564

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of 5-11-2015, 2015, by and between, **TORRE REFUSE & RECYCLING LLC**, a Washington limited liability company, or assigns ("**Purchaser**"); **COUSE'S SANITATION AND RECYCLE, INC.**, a Washington corporation ("**Seller**"); and **CLIFFORD COUSE** and **SHIRLEY COUSE**, who are all of the Shareholders of Seller (collectively, the "**Shareholders**").

Seller is engaged in the solid waste business (the "**Business**"), is the owner of WUTC Certificate No. G-169 (the "**Certificate**") and operates from business offices located at 22 Smith Drive in Republic, Washington (the "**Premises**"). Seller desires to sell and Purchaser desires to purchase the Certificate and all of the other assets of the Business from Seller. Accordingly, In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Assets.

1.1 Assets to be Sold. Seller will sell and transfer to Purchaser, and Purchaser will purchase from Seller, all of the assets owned by Seller and used in the operation of the Business (collectively, the "**Assets**") and the sale of the Assets under this Agreement is referred to herein as the "**Transactions**") which include, without limitation, the following:

1.1.1 All equipment, machinery, tools, furniture, vehicles, inventory, parts, materials, supplies and other tangible personal property used in the Business, including, without limitation, the items set forth on Exhibit A.

1.1.2 The Certificate and all other contracts, leases, permits, licenses, and purchase orders of the Business, including, without limitation, those listed on Exhibit B (collectively, the "**Assumed Contracts**").

1.1.3 All goodwill and intangible personal property associated with or used in the Business including, without limitation (i) Seller Accounts Receivable (as defined below); (ii) trademarks, logos, copyrights and trade names; (iii) computer software, data and documentation (for such period of time as is reasonably requested by Purchaser, but in any event no more than three (3) years); (iv) trade secrets, confidential business information, customer and supplier lists (for such period of time as is reasonably requested by Purchaser, but in any event no more than three (3) years); (v) the names "Couse's Sanitation and Recycle, Inc.," and "Republic Commercial Tire"; (vi) email addresses, domain names, rights to web URL's and email accounts to communicate with customers; (vii) warranty rights from manufacturers or sellers; and (viii) all other proprietary rights of Seller (collectively, the "**Intellectual Property**").

1.1.4 All books, records and files of the Business, whether in hard copy or computer format, including, without limitation, telephone numbers, manuals and data, lists of present and former suppliers, lists of present and former customers, and personnel and

employment records for employees of Seller hired by Purchaser for such period of time as is reasonably requested by Purchaser, but in any event no more than three (3) years.

1.1.5 Any other tangible or intangible assets, properties or rights owned and used or useful by Seller in the Business except those assets described in Section 1.2.

1.2 Excluded Assets Not Sold. The "Assets" do not include all cash of Seller on hand on the date of Closing, the assets of Seller listed on Exhibit C attached hereto and other assets of Seller that are not accepted by Purchaser (collectively, the "*Excluded Assets*"). The Excluded Assets of Seller are not included in this sale.

1.3 Transfer of Assets. At the Closing, Seller shall execute and deliver to Purchaser a Bill of Sale in substantially the form attached hereto as Exhibit D (the "*Bill of Sale*") and an Assignment and Assumption Agreement in substantially the same form attached hereto as Exhibit E (the "*Assignment and Assumption Agreement*"), together with such other documents or instruments as may be reasonably requested by Purchaser, to convey to Purchaser marketable title to all of the Assets, free and clear of all liens, restrictions and encumbrances. Possession of the Assets shall be delivered to Purchaser at the Premises upon consummation of the Closing.

1.4 Assignment of Accounts Receivable. Seller shall assign to Purchaser, and Purchaser shall accept, Seller's accounts receivable subject to the following:

1.4.1 Promptly after execution of this Agreement, Seller shall provide Purchaser with a list of Seller's accounts receivable, with aging and all documentation, data and other information Purchaser requests in connection with such accounts receivable. Purchaser, upon a review of such documentation, data and information may, in its sole discretion, strike from the list any accounts receivable for which payment is at least 60 days delinquent. All of Seller's accounts receivable that are not so struck by Purchaser shall be the "*Seller Accounts Receivable*."

1.4.2 At Closing, Purchaser shall pay Seller the face value of the Seller Accounts Receivable on the date of the Closing less a "*Holdback*" equaling up to 10% of such face value of the Seller Accounts Receivable as determined by Purchaser. In addition to the rights that Purchaser has to the Holdback under Section 11.4, Purchaser may retain from the Holdback an amount equal to the amount of the Seller Accounts Receivable that Purchaser does not actually collect within 180 days after the date of the Closing. Seller shall assign the Seller Accounts Receivable at Closing under the Assignment and Assumption Agreement.

1.5 Liabilities. Purchaser shall not assume nor have any other obligations for any liabilities or obligations of Seller or the Shareholders of any kind or nature whatsoever, whether fixed or contingent, liquidated or unliquidated, except for obligations under the Assumed Contracts to the extent such obligations arise during and are attributable to the period after the Closing (collectively, the "*Assumed Obligations*"). To the extent that Purchaser pays or provides for debts, payables, claims, liabilities, or obligations of Seller in excess of the amount of the Assumed Obligations, Purchaser shall be entitled to offset such excess against any amounts owed by Purchaser, or any entity under common control with Purchaser, to Seller or the Shareholders.

3. **Employees of Seller.** Seller shall terminate the employment of all of its employees effective as of the date of the Closing. Purchaser agrees to offer employment to such employees who meet Purchaser's hiring criteria for the positions which those employees would fill for Purchaser at the same wages paid to them by Seller effective on April 30, 2015. Seller shall be responsible for all employment taxes, withholding obligations, accrued sick leave and vacation and all other benefits and amounts owed to all of Seller's employees to and including the date of Closing. Purchaser will have no obligation of any kind to any employees of Seller for any time period prior to Closing.

4. **Representations and Warranties of Seller.** Seller and the Shareholders jointly and severally represent and warrant to Purchaser that the following statements are true and correct as of the date hereof and/or will be true as of the date of Closing:

4.1 **Organization and Powers.** Seller is a corporation duly organized and validly existing under the laws of the State of Washington and has all requisite power and authority to (i) own and operate its Business, (ii) carry on the Business as now conducted, and (iii) execute, deliver and perform its obligations under this Agreement.

4.2 **Authorization and Enforceability.** All corporate action on the part of Seller and its directors, officers and Shareholders, necessary for the authorization, execution, and performance of this Agreement and the consummation of the Transactions has been taken. This Agreement constitutes a valid and binding obligation of Seller and the Shareholders enforceable in accordance with its terms. The execution, delivery and performance by Seller and the Shareholders of this Agreement will not result in any material violation of, conflict with or breach of any state or federal law, the Seller's governing documents, or any agreement, judgment, order, regulation or other restriction applicable to Seller or the Shareholders.

4.3 **Ownership.** The Shareholders own all of the issued and outstanding capital stock of Seller and such shares are validly issued. Other than such shares, there are no other options or rights relating to capital stock or other securities of Seller.

4.4 **Financial and Other Data.** The financial information concerning Seller and the Business presented to Purchaser (the "*Financial Information*") is substantially accurate and fairly presents the financial position and income and expenses of Seller. Other than the Assumed Liabilities, there are and will be no liabilities of Seller of any kind whatsoever to which the Assets would be subject.

4.5 **Absence of Certain Changes.** Seller has conducted the Business in the ordinary course and since delivering the Financial Information to Purchaser there has not been: (i) a material adverse change in the Business or Assets; (ii) any new Encumbrances on any of the Assets; (iii) any damage or casualty loss affecting the Business or any Assets; (iv) any

transaction or agreement outside of the ordinary course of business; or (vi) any labor dispute, union organization activity, or new collective bargaining agreement.

4.6 Condition of Assets. The Assets include all of the assets, and rights of every type and description, real, personal, tangible, intangible, and mixed that are used or useful in the conduct of the Business in the manner in which the Business is now operated other than the Premises. The Assets are in good operating condition and repair, ordinary wear and tear excepted, and are adequate for Seller's operation of the Business in the ordinary course.

4.7 Contracts. All Assumed Contracts have been entered into by Seller in the ordinary course of business consistent with past practice and no party to any of the Assumed Contracts is in default thereunder. The Assumed Contracts constitute all of such agreements to which Seller is a party that are material to the operation of the Business. True and complete copies of the Assumed Contracts, including all amendments, modifications and supplements thereto, have been delivered to Purchaser. No consents of third parties are required under any of the Assumed Contracts or otherwise for the consummation of the Transactions other than the approval by the Washington Utilities and Transportation Commission (the "*WUTC*") of the change in ownership of the Certificate.

4.8 Title. (i) Seller has good and marketable title to all of the Assets, free and clear of any and all liens, leases, mortgages, pledges, security interests, and other encumbrances of any kind or nature whatsoever (collectively, "*Encumbrances*"); and (ii) upon consummation of the Transactions, Purchaser will acquire good and valid title to the Assets, free and clear of any and all Encumbrances.

4.9 Licenses and Permits. Seller has all licenses and permits required from any governmental authority for the lawful operation of the Business and all such permits and licenses are valid and in full force and effect. The business and other activities of Seller have been and are limited to the operation of the Business and activities directly related thereto.

4.10 Compliance with Laws. Seller, the Shareholders and the operation of the Business complies in all material respects with all federal, state, and local laws, statutes, ordinances, regulations, and applicable orders or decrees of any court, commission, board, agency or other governmental authority, including, without limitation, such matters applicable to the environment and hazardous materials. Seller has not received notice of any violations of any environmental or other law, statute, ordinance or regulation, and Seller has neither engaged in any activity, nor failed to engage in any activity when required by law to do so, that could reasonably be expected to subject Seller or Purchaser to any material fine, penalty or other liability, including, without limitation, liability to pay or contribute toward the clean-up of any waste or substances.

4.11 Insurance. There is now in full force and effect adequate liability and property insurance with respect to all Assets and the operation of the Business.

4.12 Intellectual Property. The Assets include all Intellectual Property owned, used or licensed in connection with the operation of the Business. Seller owns, free and clear of conflicting claims, restrictions or infringements, all right and interest in and authority to

use the Intellectual Property in connection with the conduct of the Business. Seller has not infringed on anyone or unlawfully used any of the Intellectual Property.

4.13 Benefit Plans. All benefit plans for employees of Seller, if any, have been administered and are in compliance in all material respects with applicable provisions, if any, of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), the Internal Revenue Code and all other applicable law. Purchaser will not have any liability under any such plans.

4.14 Labor Matters. No present or former employee of the Business has a pending claim or charge which has been asserted or to the knowledge of Seller or the Shareholders threatened against Seller for overtime pay, wages, salaries, benefits, violation of any law or contract, discrimination, or wrongful employment or termination practices; violation of occupational safety or health standards; or death or injury related to the Business or its operations. There is not pending or, to the knowledge of Seller or the Shareholders, threatened against Seller any labor dispute, strike or work stoppage. There are no unresolved unfair labor charges against Seller. Seller is not bound by a collective bargaining agreement. Exhibit G contains a true, complete and correct list of all employees of Seller and information about them.

4.15 Tax Returns and Payments. Seller has filed when due with the appropriate federal, state, and local governmental agencies all tax returns and reports with respect to the Business required to be filed by it and paid when due all taxes and related interest and penalties owed by it. Seller has withheld any tax required to be withheld under applicable law and regulations, and such withholdings have been paid to the proper governmental agency.

4.16 Litigation. There are no suits, actions, claims, judgments, proceedings or governmental investigations, pending or, to the knowledge of Seller or the Shareholders, threatened against the Business, the Assets, Seller or the Shareholders, and there is no basis for any such suits, actions, claims, judgments, proceedings, or investigations.

4.17 Broker's or Finder's Fees. Neither Seller nor the Shareholders has taken any action which would cause Purchaser to be liable for payment of any broker's or finder's fee or other commission or similar fee in connection with the Transactions.

4.18 Disclosure. No representation or warranty by Seller or the Shareholders in this Agreement or in any other document furnished by Seller or the Shareholders contains any untrue statement of a material fact or omits to state a material fact necessary to make any representation or warranty contained herein or therein not misleading. All statements by Seller or the Shareholders contained in any schedule, certificate, Exhibit, instrument or other document delivered in connection with the Transactions shall constitute representations and warranties hereunder.

5. Conditions Precedent to Purchaser's Obligations. The obligations of Purchaser under this Agreement shall be subject to the fulfillment of the following conditions precedent prior to the date and time of Closing; *provided*, however, that Purchaser may conditionally or unconditionally waive one or more of these conditions in its sole discretion:

5.1 Due Diligence Condition. Purchaser's inspection and approval, in its sole discretion, of the financial information and other records and information pertaining to Seller, the Assets, the operation of the Business and all other matters relating thereto as Purchaser deems necessary not later than five days prior to Closing. Seller agrees to promptly deliver to Purchaser all records and information requested by Purchaser from Seller. If Purchaser delivers notice of disapproval, or does not deliver written notice of approval to Seller, then this condition shall be deemed to not have been satisfied and this Agreement and the parties' respective obligations hereunder shall terminate.

5.2 Status Letters. If requested by Purchaser in accordance with Section 11.6, Seller shall have completed and delivered a request to the appropriate state agency, and Purchaser shall have received and be reasonably satisfied with the response to, such request relating to the applicable Clearance Statute.

5.3 Representations and Covenants. Seller and the Shareholders shall have delivered to Purchaser a certificate as to the accuracy at Closing of the representations and warranties of Seller and the Shareholders contained in this Agreement. All of the covenants and agreements to be complied with and performed by Seller and the Shareholders on or prior to the date of Closing shall have been complied with or performed by Seller and the Shareholders.

5.4 No Adverse Change. There shall have been no material adverse change in the Assets, liabilities, Assumed Contracts or Business of the Seller prior to the date of Closing.

5.5 Governmental Action. No order, decree or ruling of any governmental authority or court shall have been entered, and no governmental or other action, suit, claim, investigation or proceeding shall be pending or threatened, challenging the legality, validity or propriety of, or otherwise relating to, the Transactions.

5.6 Third Party Consents. Seller shall have provided all notices and Purchaser shall have obtained any and all third party consents necessary to transfer the Assets to Purchaser, including, without limitation, consent from the WUTC, and Purchaser shall have obtained such agreements with employees, customers and suppliers of Seller as Purchaser deems necessary or desirable to operate the Business after the Closing.

5.7 Lease Agreement. Purchaser, or a subsidiary or affiliate thereof, and Seller shall have entered into a lease agreement for the Premises in form and substance satisfactory to Purchaser in all respects.

6. **Closing.** The Transactions shall be consummated at a Closing (the "**Closing**") to be held at Purchaser's offices within five days after Purchaser advises Seller in writing that the condition in Section 5.1 has been satisfied or waived. The parties anticipate the Closing will occur on or before July 1, 2015, and in any event on or before September 1, 2015, or such later date as may be agreed upon by the parties hereto, on which date (if all conditions have not been satisfied) this Agreement and the parties' respective obligations hereunder shall terminate (other than the obligations arising from any breach of the terms and provisions of this Agreement which may be enforced by the non-breaching party).

7. **Pre-Closing Obligations.**

7.1 **Conduct of Business Prior to the Closing.** From the date hereof through the Closing, unless Purchaser otherwise agrees in writing, Seller shall operate the Business in the ordinary course of business consistent with past practices, including (i) incurring and paying normal business expenses; (ii) using reasonable efforts to preserve the Business' operations, organization and goodwill and its relationships with customers, employees, suppliers and others; (iii) billing and collecting accounts receivable; (iv) promptly notifying Purchaser in writing of any event which would constitute a default under any of the Assumed Contracts; (v) not selling, leasing, granting any rights in, or otherwise disposing of any of the Assets; (vi) maintaining all facilities and tangible Assets in good operating condition and repair; (vii) not increasing the compensation or benefits of any employees; (viii) not entering into any collective bargaining or similar agreement applicable to any employees; and (ix) not taking any action inconsistent with consummation of the Closing as contemplated by this Agreement.

7.2 **Notification of Certain Matters.** Seller shall give prompt notice to Purchaser of (i) the occurrence, or failure to occur, of any event that could reasonably be expected to cause any of its representations or warranties contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date hereof to the Closing, and (ii) any failure to comply with or satisfy, in any material respect, any covenant, condition or agreement to be complied with or satisfied by Seller or the Shareholders under this Agreement.

7.3 **Inspection and Access.** Seller will, prior to the Closing, open the Assets, books, accounting records, correspondence and files of Seller for examination by Purchaser and its attorneys, accountants and agents, with the right to make copies of such books, records and files or extracts therefrom. Such access will be available during normal business hours. Seller will furnish to Purchaser such additional financial and operating data and other available information regarding Seller that is in Seller's possession as Purchaser may reasonably request. Seller shall use its good faith efforts to assist Purchaser in establishing contacts with customers, suppliers, employees and others relating to the Business.

7.4 **Publicity.** The parties agree that no public release or announcement concerning the Transactions will be issued by any party without the prior written consent of the other party, except as such release or announcement may be required by law or applicable

regulations, in which event the party so required will give prior written notice to the other party with the proposed content of the release or announcement.

7.5 Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, each party will use its reasonable best efforts to take all actions and to do all things necessary, proper or advisable to satisfy any condition hereunder that is within its power to satisfy, and to consummate and make effective as soon as practicable the Transactions.

7.6 No Solicitation. From the date hereof until the earlier of Closing or termination of this Agreement, neither Seller nor the Shareholders shall directly or indirectly (i) solicit or encourage submission of any proposal or offer from any person relating to the acquisition or purchase of any interest in Seller or any of the Assets or any merger, consolidation or other business combination with Seller (each an "*Acquisition Proposal*"), or (ii) otherwise assist or participate in any effort by any person to make an Acquisition Proposal. Seller shall promptly notify Purchaser in writing if an Acquisition Proposal is made to Seller.

8. Closing Deliveries of Seller. At Closing, Seller and the Shareholders shall execute and deliver to Purchaser the following in form and substance reasonably satisfactory to Purchaser: (i) the Bill of Sale; (ii) the Assignment and Assumption Agreement; (iii) a certificate from Seller and the Shareholders that all representations and warranties under this Agreement are true and correct as of the Closing date; and (iv) each of the other documents and considerations required be delivered by Seller or the Shareholders to Purchaser at Closing, and such documents and considerations as Purchaser may reasonably deem necessary to consummate the Transactions.

9. Closing Deliveries of Purchaser. At Closing, Purchaser shall execute and deliver to Seller or the Shareholders, as applicable, the following in the form and substance reasonably satisfactory to Seller: (i) the Purchase Price payable at Closing; (ii) the Assignment and Assumption Agreement; and (iii) each of the other documents and considerations required to be delivered by Purchaser at Closing, and such other documents and considerations as Seller may reasonably deem necessary to consummate the Transactions.

10. Restrictive Covenants.

10.1 Covenants. Seller, Purchaser and the Shareholders agree that Purchaser and its successors in interest (the "*Purchaser Parties*") will be irreparably harmed if Seller or any of the Shareholders competes with any of the Purchaser Parties within a reasonable period after the Closing. Accordingly, Seller and the Shareholders each agrees that for a period of two (2) years after the date of Closing, he, she or it shall not in any area within Ferry County, Okanogan County, Stevens County, or Lincoln County, Washington: (i) conduct or propose to conduct business in, initiate activities in, engage or participate in, directly or indirectly (whether as an officer, director, shareholder, member, manager, employee, partner, consultant, agent, holder of an equity or debt investment, or lender, or in any other manner or capacity), or lend his, her or its name (or any part or variant thereof) to, any business which is, or as a result of such engagement or participation would become, competitive with any aspect of the Business or of any other business conducted by any of the Purchaser Parties after the date of Closing; (ii) engage or participate in, directly or indirectly, any business conducted under any name that is

the same as or similar to the name of Seller on the date hereof or any trade name used by Seller; (iii) deal, directly or indirectly, in a competitive manner with any customers doing business with Seller prior to the date of Closing or doing business with any of the Purchaser Parties after the date of Closing; or (iv) solicit any officer, director, shareholder, member, manager, employee, partner, consultant or agent of any of the Purchaser Parties to become an officer, director, shareholder, member, manager, employee, partner, consultant or agent of Seller or any of the Shareholders or his, her or its affiliates or anyone else.

10.2 Rights and Remedies Upon Breach. If Seller or any of the Shareholders breaches, or threatens to breach, any of the provisions of Section 10.1 (the “*Restrictive Covenants*”), the Purchaser Parties shall have the following rights and remedies, each of which rights and remedies shall be independent of the others and severally enforceable, and each of which is in addition to, and not in lieu of, any other rights and remedies available to the Purchaser Parties at law or in equity:

10.2.1 Specific Performance; Injunctive Relief. The right and remedy to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Purchaser Parties and that money damages may not provide an adequate remedy to the Purchaser Parties. Accordingly, in addition to any other rights or remedies, the Purchaser Parties shall be entitled to temporary or permanent injunctive relief to enforce the terms of the Restrictive Covenants and to restrain Seller and the Shareholders from any violation thereof, without the need to post a bond or other security, and with the costs of enforcing the Restrictive Covenants (including all reasonable attorneys’ fees and expenses) to be borne by Seller and the Shareholders; provided, however, that nothing contained in this Section 10.2.1 shall prevent the Purchaser Parties from pursuing any other remedies available to any of them for such actual or threatened breach including an action for damages.

10.2.2 Accounting. The right and remedy to require Seller and the Shareholders to account for and pay over to the Purchaser Parties all compensation, profits, monies, accruals, increments or other benefits derived or received by Seller or the Shareholders as the result of any transactions constituting a breach of the Restrictive Covenants.

10.2.3 Severability of Covenants. Seller and the Shareholders each acknowledges and agrees that the Restrictive Covenants are reasonable and valid in geographical and temporal scope and in all other respects. If any court determines that any of the Restrictive Covenants, or any part thereof, are invalid or unenforceable to any extent, then such Restrictive Covenant shall be enforced to the maximum extent permitted by law and the remainder of the Restrictive Covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions.

11. Post Closing Obligations. The parties shall have the following obligations to each other after the Closing:

11.1 Indemnification by Seller and the Shareholders.

11.1.1 Seller and the Shareholders, jointly and severally, agree to indemnify and hold harmless Purchaser and all shareholders, owners, officers, directors, members, managers, agents, employees, successors in interest, representatives and affiliates of Purchaser from and against any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees and expenses) (collectively "**Claims**") relating to or arising out of (i) any breach by Seller or any of the Shareholders of any representations, warranties, covenants or agreements set forth in this Agreement or in any other document executed and delivered in connection with this Agreement; or (ii) the ownership or operation of the Business or the Assets prior to the Closing, including, without limitation, all taxes, all product, service, supplier, employee and other claims and liabilities from events or activities which occurred or were commenced prior to the Closing, all Encumbrances, and all environmental or hazardous materials claims or liabilities arising from or in connection with the operation of the Business prior to Closing; or (iii) any other liabilities and obligations of Seller or the Shareholders (other than the Assumed Obligations), whether or not disclosed to Purchaser in this Agreement or otherwise. This obligation shall survive the Closing and termination of this Agreement.

11.1.2 If Seller and the Shareholders fail to indemnify Purchaser as required under the terms of this Section 11.1.1, Purchaser shall have the right to set off, withhold and retain any amount otherwise owed by Purchaser, or any entity under common control with Purchaser, to Seller or the Shareholders until such time as Purchaser is fully reimbursed for all loss or damage from the indemnified Claim or Seller indemnifies Purchaser or makes other provisions satisfactory to Purchaser for correction of any breach of this Agreement or disposition of any Claim, Encumbrance or loss giving rise to Seller's and the Shareholders' obligation to indemnify.

11.2 Indemnification by Purchaser. Purchaser shall indemnify, defend, and hold Seller and the Shareholders harmless from and against any and all Claims incurred by it or them with respect to (i) any breach on the part of Purchaser of any representations, warranties, covenants or agreements set forth in this Agreement or any other document executed and delivered in connection with the Transactions; or (ii) Purchaser's use and or disposition of any of the Assets following the date of Closing; or (iii) Purchaser's operation of the Business following the date of Closing. This obligation shall survive the Closing and termination of this Agreement.

11.3 Claims and Defense. Upon obtaining knowledge of any Claims, the party seeking indemnification (the "**Indemnitee**") shall promptly give written notice (a "**Claim Notice**") of such claim to the indemnifying party (the "**Indemnitor**"). The Indemnitee shall furnish to the Indemnitor in good faith and in reasonable detail such information as the Indemnitee may have with respect to such indemnification claim (including copies of any summons, complaint or other pleading which may have been served on it and any written claim, demand, invoice, billing or other document evidencing or asserting the same). No failure or delay by the Indemnitee in the performance of the foregoing shall reduce or otherwise affect the obligation of the Indemnitor to indemnify and hold the Indemnitee harmless, except to the extent that such failure or delay shall have materially adversely affected the Indemnitor's ability to defend against, settle or satisfy any such Claims. In the case of third party Claims, the

Indemnitor shall have 20 business days after its receipt of the Claim Notice to notify the Indemnitee in writing of the Indemnitor's election to defend the Claim on behalf of the Indemnitee with counsel reasonably satisfactory to the Indemnitor. If the Indemnitor elects to defend the Claim, the Indemnitee shall make available to the Indemnitor and its representatives all witnesses and information in the Indemnitee's possession or control as is reasonably required by the Indemnitor and shall otherwise cooperate with and assist the Indemnitor in the defense of the claim. The Indemnitee shall have the right to participate in the defense of the Claim at the Indemnitee's own expense. If the Indemnitor does not elect to defend the Claim or does not defend the Claim in good faith, the Indemnitee shall have the right, in addition to any other right or remedy it may have, to defend the Claim and to include its defense costs in its indemnification claim; provided that the Indemnitee shall not have any obligation to participate in the defense of or defend the Claim, and such Indemnitee's defense of or its participation in the defense of any Claim shall not in any way diminish or lessen the indemnification obligations of the Indemnitor under this Section 11.

11.4 Holdback. Purchaser has retained the Holdback as security for the full and timely payment of Seller Accounts Receivable, and for the full and faithful performance of every provision of this Agreement by Seller and the Shareholders. If Seller or any of the Shareholders defaults with respect to any provision of this Agreement, including but not limited to the provisions of Section 11.1, then Purchaser may use, apply or retain all or any part of the Holdback to compensate Purchaser for any loss or damage which Purchaser may suffer by reason of such default. To the extent that within 180 days after the date of the Closing Purchaser has not used the Holdback to compensate Purchaser for any loss or damage suffered or to cover uncollected Seller Accounts Receivable as provided in Section 1.4.2, Purchaser shall pay to Seller such portion of the Holdback. The retention and use of the Holdback shall not in any way diminish or lessen the obligations or liabilities of Seller or the Shareholders under this Agreement.

11.5 Clearance Statutes. If requested by Purchaser, Seller shall comply with the requirements of RCW 51.16.200, RCW 82.32.140 and RCW 50.24.210 (the "*Clearance Statutes*"), and provide Purchaser, as promptly as reasonably possible, either a receipt from each department showing payment in full, a certificate from each department that no payment is due or such other information as the applicable departments provide in connection with the Clearance Statutes. If any of such departments determines that Seller has any liability, Seller shall promptly pay all amounts due and indemnify and hold Purchaser harmless from any such liabilities in accordance with Section 11.1.

13. Guaranty of the Shareholders. The Shareholders will benefit from the Transactions. The Shareholders hereby, jointly and severally, unconditionally and irrevocably guarantee to Purchaser, as a co-obligor and not as a surety or endorser, the full and complete performance and payment by Seller of any and all of its obligations, amounts, liabilities, representations, warranties, covenants, indemnities and responsibilities arising out of or relating to this Agreement and all other agreements and documents to which Seller is a party relating to the Transactions (the "***Additional Agreements***"). Seller and Purchaser shall have the unrestricted right to agree to modify or amend this Agreement or any Additional Agreements without approval of or notice to the Shareholders and each of the Shareholders hereby consents to any such modification or amendment and agrees to be bound by this guaranty of Seller's obligations under this Agreement and the Additional Agreements as so modified or amended. No waiver of any right of Purchaser or waiver of any of Seller's obligations, extension of time, tolerance, delay, forbearance or incomplete performance by Seller shall discharge the Shareholders' guaranty or other obligations hereunder or modify such obligations in any manner whatsoever. The Shareholders' obligations are not in any way secondary liabilities, but are direct and personal obligations to Purchaser. In the event of any breach of or any default under this Agreement or any Additional Agreements, Purchaser may proceed against any or all of the Shareholders personally without proceeding against Seller or any other Shareholder. Purchaser shall not be required to give notice of any default of Seller to the Shareholders.

14. Assignment; Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns. Purchaser shall have the right at any time, upon notice to Seller prior to Closing to assign its rights hereunder, and, upon such assignment, Purchaser shall have no further obligations hereunder.

15. Survival of Representations, Warranties and Covenants. All representations, warranties and covenants made in this Agreement shall survive the execution of this Agreement and the consummation of the Transactions.

16. Expenses. Seller, the Shareholders and Purchaser will each bear all of his, her or its own costs and expenses (including any broker's or finder's fees and the expenses of its representatives) incurred at any time in connection with pursuing or consummating the Transactions. Seller shall pay all taxes related to or arising from this Agreement or the Transactions.

17. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto concerning the subject matter hereof, and supersedes all prior agreements and understandings, oral or written, between them, relating to the subject matter of this Agreement. No provision of this Agreement may be changed, waived, discharged or terminated except by an instrument in writing signed by the party against whom enforcement is sought and then the same shall be effective only in the specific instance for which it is given.

18. Attorneys' Fees. If any party commences an action to enforce or interpret any provision of this Agreement, the prevailing party in such action shall be entitled to recover its costs and reasonable attorneys' and consultant's fees arising from such action, including costs and fees incurred in any appellate or bankruptcy proceeding, from the nonprevailing parties, whether or not such matter proceeds to court.

19. Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute only one agreement. Counterparts of this Agreement may be executed by a party and delivered to the other parties in a “pdf” file sent to the other parties via email (with copies likewise emailed to the persons who are to receive copies of notices for such other parties pursuant to Section 19). Photocopies and “pdf” files of any signed counterpart of this Agreement are effective and valid for any and all purposes as if they were the original signed copy.

20. Notice. All notices, requests, demands and other communications provided for hereunder shall be in writing and either mailed by certified or registered mail or delivered by hand or by confirmed facsimile transmission or email or by guaranteed overnight delivery to the applicable party, to the address set forth on the signature page of this Agreement or, as to each party, at such other address as shall be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section 20. All such notices, requests, demands and other communications shall, (i) when mailed, be effective two days after mailing or, if earlier, upon receipt at the address prescribed by this Agreement; (ii) when delivered by hand, be effective upon receipt at the address prescribed by this Agreement; (iii) when delivered by facsimile or email transmission, be effective upon confirmation of receipt at the number prescribed by this Agreement; and (iv) when delivered by guaranteed overnight delivery, be effective one business day after delivery to a guaranteed overnight delivery service using the address prescribed by this Agreement. Any party may change its respective address by delivering a notice of such change in accordance with this provision.

21. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be enforced to the fullest extent permissible under the laws and only be ineffective to the extent of such prohibition or unenforceability (or, if possible, shall be appropriately modified to the maximum extent permissible in keeping with the intent of the parties and language of such provisions) without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

22. Further Acts. Each party shall, from time to time, at the reasonable request of any other party, and without further consideration, perform such reasonable acts and execute and deliver such other and further instruments and documents as the party may reasonably request to more effectively transfer and assign to Purchaser, and vest title in Purchaser to, each of the Assets, carry out the provisions of this Agreement, or otherwise consummate the Transactions.

23. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington without regard to choice of law principles.

[Signatures are on the following page.]

Executed as of the date first above written.

SELLER:

PURCHASER:

COUSE'S SANITATION AND RECYCLE, INC., a Washington corporation

TORRE REFUSE & RECYCLING LLC, a Washington limited liability company

By: CLIFFORD W COUSE
Name: Cliff W C
Its: President
Address: 22 Smith Dr
Republic WA
Phone No.: 509-925-3557
Fax No.: SAME
Email: shirleycouse@hotmail.com

By: [Signature]
Name: Mark B Torre
Its: Managing Member
Address: PO Box 13369
Spokane Valley WA 99213
Phone No.: 509 924 8678
Fax No.: _____
Email: _____

SHAREHOLDERS:

Cliff W C
CLIFFORD COUSE

Shirley Couse
SHIRLEY COUSE

Address: PO Box 65
WILBUR WA 99185
Phone No.: ~~POB~~ 509-675-3345
Fax No.: _____
Email: _____

**EXHIBIT A
LIST OF ASSETS**

2015 ASSET LIST

ITEM

71 – 2 YARD BINS

1 - 3 YARD BIN

14 – 4 YARD BINS

14 – 6 YARD BINS

2 – 10 YARD DROP BOXES-HOOK LIFT

2 – 12 YARD DROP BOXES-HOOK LIFT

1 – 14 YARD DROP BOX

5 – 20 YARD DROP BOXES

6 – 30 YARD DROP BOXES

4 – RECYCLE SLEDS

44 – SLED BOXES

FLATBED

2000 GAL WATER TANK

FRUEHOFF EQUIPMENT TRAILER

ROLLOFF TRAILER

25 – 64 GAL CARTS

37 – 96 GAL CARTS

580 SM BACKHOE

TOYOTA FORKLIFT

HYSTER FORKLIFT

2003 FORD F350 W/LIFT GATE, BOSS SNOWPLOW, and sander

2000 FREIGHTLINER FL60-HOOKLIFT/FLATBED/

AND HEIL 4000 13 YARD GARBAGE BOX

1985 KENWORTH ROLLOFF TRUCK

1993 INTERNATIONAL ROLLOFF TRUCK

2006 FREIGHTLINER M2 – 20 YD PACKER/TIPPER/SCALES

2011 FREIGHTLINER M21- 20 YD PACKER/TIPPER/SCALES

3 – BALERS

OFFICE EQUIPMENT INCLUDING 2 COMPUTERS, COPIER/PRINTER

MISC SHOP EQUIPMENT

PORTABLE WELDER

PORTABLE AIR COMPRESSOR

TIRE MACHINE

COMPUTER TIRE BALANCER

WIRE FEED PLASMA CUTTER

MISC HAND TOOLS

G- Certificate 169

ATTACHMENT I
List of Assigned Property

1. Certificate of Necessity and Convenience Permit No. G-169, Certificate attached
2. All other contracts, leases, permits, licenses, and purchase orders of the Business, including, without limitation, those listed on Exhibit B to the Asset Purchase Agreement.
3. All goodwill and intangible personal property associated with or used in the Business including, without limitation (i) Seller Accounts Receivable (as defined below); (ii) trademarks, logos, copyrights and trade names; (iii) computer software, data and documentation; (iv) trade secrets, confidential business information, customer and supplier lists; (v) the names "Couse's Sanitation and Recycle, Inc.," and "Republic Commercial Tire"; (vi) email addresses, domain names, rights to web URL's and email accounts to communicate with customers; (vii) warranty rights from manufacturers or sellers; and (x) all other proprietary rights of Seller.
4. All books, records and files of the Business, whether in hard copy or computer format, including, without limitation, telephone numbers, manuals and data, lists of present and former suppliers, lists of present and former customers, and personnel and employment records for employees of Seller hired by Purchaser.
5. Any other intangible assets, properties or rights owned and used or useful by Seller in the Business.
6. The following:
 - a. Agreements, purchase orders and contracts with:

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

1300 S EVERGREEN PARK DRIVE SW, PO BOX 47250

OLYMPIA, WA 98504-7250

(360) 664-1222

This certificate authorizes the following operations under the provisions of RCW Title 81:

Couse's Sanitation and Recycle, Inc.
22 Smith Drive
Republic, WA 99166-8974

Cert No.
G-169

SOLID WASTE COLLECTION SERVICE limited to 10, 12, 14, 20, 30, and 40 yard drop box service within the city limits of the City of Republic.

SOLID WASTE COLLECTION SERVICE in Ferry County excluding the City of Republic.

SOLID WASTE COLLECTION SERVICE in that portion of Okanogan County described as follows: Commencing at the southwest corner of Section 31, T37N, R31E; thence north to the southwest corner of Section 7, T37N, R31E; thence west along the south line of Section 12, T37N, R30E, extended to the southeast corner of Section 9, T37N, R30E; thence north along the east line of said Section 9 to the southwest corner of Section 3, T37N, R30E; thence east along the south line of said Section 3 to the southwest corner of Section 2, T37N, R30E; thence north along the west line of said Section 2 extended to the northwest corner of Section 23, T38N, R30E; thence east along the north line of said Section 23 extended to the northeast corner of Section 24, T38N, R30E; thence north along the east line of Section 13, T38N, R30E extended to the northwest corner of Section 6, T40N, R31E; thence east to the northeast corner of Section 1, T40N, R31E, thence south along the Douglas/Ferry County line to the southeast corner of Section 36 T37N, R31E; thence west along the south line of said Section 36 extended to the southwest corner of Section 31, T37N, R31E, the point of beginning.

TO THE EXTENT THAT THE AUTHORITY GRANTED IN THIS ORDER DUPLICATES ANY AUTHORITY PREVIOUSLY GRANTED OR NOW HELD SHALL NOT BE CONSTRUED AS CONFERRING MORE THAN ONE OPERATING RIGHT NOR SHALL ANY DUPLICATING RIGHTS BE AVAILABLE FOR PURPOSES OF TRANSFER.

TG-143649

11-21-14

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**



By _____

EXHIBIT B
LIST OF ASSUMED CONTRACTS

EXHIBIT C
LIST OF EXCLUDED ASSETS

The following are "*Excluded Assets*" for the purposes of the attached Asset Purchase Agreement:

1. All cash of Seller on hand on the date of Closing.
2. Other assets of Seller that are not accepted by Purchaser.
3. The following other identified assets of Seller:
 - (i).
 - (ii).

2.

**EXHIBIT D
BILL OF SALE**

Pursuant to the terms and conditions of that certain Asset Purchase Agreement dated 5-11-2015, 2015 (the "*Asset Purchase Agreement*"), among COUSE'S SANITATION AND RECYCLE, INC., a Washington corporation ("*Seller*"), CLIFFORD COUSE and SHIRLEY COUSE ("*Shareholders*"), and SUNSHINE DISPOSAL a Washington corporation, or assigns ("*Purchaser*"), Seller hereby sells, warrants, transfers, assigns and delivers to Purchaser all of the personal property listed on Attachment I attached hereto and incorporated herein by this reference (the "*Property*").

Seller represents and warrants to Purchaser that Seller is the owner of the Property, that the Property is free and clear of any encumbrances or liens of any type or nature, and that Seller has the right to sell, assign, transfer and convey the Property to Purchaser.

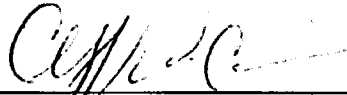
Seller agrees to defend the sale, assignment, transfer and conveyance of the Property to Purchaser hereunder against any and all persons who claim title to the Property.

This Bill of Sale shall bind Seller and benefit Purchaser and each of their respective successors and assigns.

DATED as of 5-11-2015, 2015.

SELLER:

**COUSE'S SANITATION AND RECYCLE,
INC., a Washington corporation**

By: 
Name: CLIFFORD W. COUSE
Its: President

ATTACHMENT I
List of Assets

All of the tangible assets owned by Seller and used or useful in the operation of the Business, other than the Excluded Assets, as such terms are defined in the Asset Purchase Agreement, including the following:

- (a) All equipment, machinery, tools, furniture, vehicles, inventory, parts, materials, supplies and other tangible personal property used in the Business, including, without limitation, the items set forth on Exhibit A to the Asset Purchase Agreement.
- (b) All books, records and files of the Business, whether in hard copy or computer format, including, without limitation, telephone numbers, manuals and data, lists of present and former suppliers, lists of present and former customers, and personnel and employment records for employees of Seller hired by Purchaser.
- (c) All goodwill associated with the Business or the Assets, together with the right to represent to third parties that Purchaser is the successor to the Business.
- (d) Any other tangible assets, properties or rights owned and used or useful by Seller in the Business.

EXHIBIT E
ASSIGNMENT AND ASSUMPTION AGREEMENT

Pursuant to the terms and conditions of that certain Asset Purchase Agreement dated 5-11-2015, 2015 (the "*Asset Purchase Agreement*"), among COUSE'S SANITATION AND RECYCLE, INC., a Washington corporation ("*Seller*"), CLIFFORD COUSE and SHIRLEY COUSE ("*Shareholders*") and SUNSHINE DISPOSAL, a Washington corporation, or assigns ("*Purchaser*"), Seller hereby assigns, sells, warrants, transfers, conveys and delivers to Purchaser all of Seller's right title and interest in the contracts, leases, agreements, rights, intellectual property and intangible personal property listed on Attachment I, attached hereto and incorporated herein by this reference (collectively, the "*Assigned Property*").

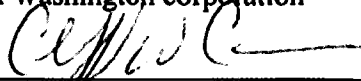
Seller represents and warrants to Purchaser that Seller is the owner of the Assigned Property, that the Assigned Property is free and clear of any encumbrances or liens of any type or nature, that Seller has the right to sell, assign, transfer and convey the Assigned Property to Purchaser and that Seller has fully performed all of its obligations under and in connection with the Assigned Property.

Purchaser hereby accepts the assignment of the Assigned Property, agrees to comply with all of the terms and provisions of the Assigned Property that arise after the date hereof and assumes all of the obligations and duties of Seller under the Assigned Property that arise after the date hereof.

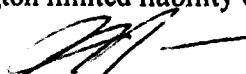
Seller agrees to defend the sale, assignment, transfer and conveyance of the Assigned Property to Purchaser hereunder against any and all persons who claim title to the Assigned Property. This Assignment shall bind Seller and benefit Purchaser and each of their respective successors and assigns.

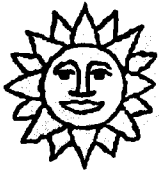
Dated as of 5-11-2015, 2015.

SELLER:
COUSE'S SANITATION AND RECYCLE, INC., a Washington corporation

By: 
Name: CLIFFORD W. COUSE
Its: President

PURCHASER:
TORRE REFUSE & RECYCLING LLC, a Washington limited liability company

By: 
Name: MARC B. TORRE
Its: Managing Member



Sunshine Disposal & Recycling

May 12, 2015

Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-4720

RECEIVED

MAY 15 2015

WASH. UT. & TP. COMM

Dear Mr. King:

Enclosed is our application to transfer all authority currently held by Couse's Sanitation and Recycle, Inc. (G-169) to Torre Refuse & Recycling, LLC d/b/a Sunshine Disposal & Recycling.

It accordance with the enclosed purchase agreement, we anticipate the transfer to take effect July 1, 2015.

Please feel free to contact me at 509-924-5678 if you require any further information.

Sincerely,

Marc B. Torre
President