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June 22, 2018

Rabanco Ltd.
C/O Republic Services, Inc.
Attn: Area President, Northwest
1600 N.E. 127th Ave.
Bellevue, WA 98005

Via certified mail and electronic delivery

RE: Contamination Handling Service Fee Adjustment

Mr. Brummer,

I write regarding changes in our industry that are adversely impacting our ability to process organic material at our Maple Valley and Everett compost facilities. As explained further below, Cedar Grove is requesting an adjustment to our 2016 Compostable Waste Agreement as allowed in Section 7.2(c) of the agreement.

Our requested fee adjustment is based on increased contamination and recent permit changes that combined are significantly impacting our operational efficiencies including how we must process material in order to produce clean finished compost products and useable by-products. These organics processing issues are akin to similar changes taking place in the aftermath of the National Sword whereby contamination levels are requiring processors to spend more time and money to ensure commodities are marketable post-processing.

As a result of the changes noted above Cedar Grove needs to update this fee. We continue to invest substantial capital at both of our local facilities. New technology has improved our ability to process organic material and limit contamination, but it does not come without significant cost. In order to preserve the efficiencies in our operations and associated changes, we are imposing an additional \$8.25 per ton to our Contamination Handling Service pursuant to our agreement. This adjustment will be effective on January 1st, 2019; we hope this provides you reasonable notice. Please know we are instituting adjustments on the contamination fee we charge other municipal haulers as well.

We look forward to meeting you person to provide additional information about this adjustment and will fully cooperate with you in any discussion with our municipal partners. We appreciate our long-standing business relationship as well as your commitment to the local solid waste and recycling infrastructure. Please do not hesitate to contact us with any additional questions you may have.

Respectfully,

A handwritten signature in black ink that reads "J. Stephan Banchemo Jr." The signature is written in a cursive style with a large initial "J" and a decorative flourish at the end.

J. Stephan Banchemo, Jr.
PRESIDENT/CEO