

**RECOVERED MATERIALS RECYCLING AGREEMENT
BETWEEN
THE MAYOR AND CITY COUNCIL OF BALTIMORE
AND
NORTHEAST MARYLAND WASTE DISPOSAL AUTHORITY**

THIS RECOVERED MATERIALS RECYCLING AGREEMENT (the "Agreement") is made as of this _____ day of _____, 2025 between the Northeast Maryland Waste Disposal Authority (the "Authority") and Mayor and City Council of Baltimore, Maryland acting by and through its Department of Public Works (the "City").

WHEREAS, the City has requested that the Authority provide technical expertise to accept, process, and recycle Recovered Materials, as defined in the agreement, collected by the Department of Public Works, Bureau of Solid Waste; and

WHEREAS, the Authority is a public instrumentality of the State of Maryland and whose power is "deemed to be the performance of an essential public function." Md. Code Ann., Nat'l Res. Art. 3-903(a) (1); and

WHEREAS, the Authority, "may accept, from time to time such moneys, property or other assets as may be necessary or desirable to enable the Authority to initiate its operations or those of any project or to carry out any of its corporate purposes." Md. Code Ann., Nat'l Res. Art. 3-903(i); and

WHEREAS, the Authority has agreed to provide the requested services using publicly procured contractors; and

WHEREAS, the acceptance, processing, and recycling of Recovered Materials needs to be completed in a timely fashion.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties to this Agreement agree as follows:

DEFINITIONS

"Affiliate" means any other Person who controls, is controlled by, or is under common control with the Company.

"Agreement" means this Recovered Materials Recycling Agreement between the Authority and the City including all Schedules attached hereto.

"Applicable Law" means any law, regulation, requirement or order of any Federal, State or local agency, court or other governmental body (including, without limitation, the City's Comprehensive Solid Waste Management Plan and all permits, licenses and governmental approvals required as of the date of the Agreement), applicable to the performance of any obligations under the Agreement or any other agreement entered into in connection with the Agreement.

"Approved Pass Through Costs" means costs approved in writing, in advance of incurring the costs, by the City, the Authority, and the Company.

"Authority Representative" means the authorized representative of the Northeast Maryland Waste Disposal Authority.

"Billing Period" means each calendar month during the term of this Agreement except that the first Billing Period shall begin on the Operations Date and shall end on the last day of the month in which the Operations Date occurs and the last Billing Period shall end on the last day of the term of this Agreement.

"Billing Statement" means the monthly statement of costs including the Recovered Material Fee invoice payable by the Authority to the Company.

"Business Day" means any day other than Saturday, Sunday or a day on which either State or national banks in Maryland are not open for normal banking business.

"City Representative" means the authorized representative of Baltimore City.

"Commodity Share" means the commodity proportionate share, expressed as a percentage, of an established mix of processed Recovered Material as identified herein and adjusted according to periodic Recycling Sorts.

"Company" means _____ and their respective permitted successors and assigns.

"Disposal Facility" means an Authority approved facility for disposal of Residue and/or non-processable waste.

"Event of Default or Default" means an Event of Default or Default as set forth in Sections 6 and 7.

"Facility or Facilities" means any component of the Company's system, which receives, processes, transports, recycles, and/or disposes of waste and any Residue or byproduct of processing solid waste.

"Hazardous Waste" means:

- A. Any Waste or substance, the treatment, storage or disposal of which, because of the composition or characteristics of the Waste or substance, is unlawful to treat, store or dispose of at the Recycling Facility or other facilities to be used in providing the Service and is considered hazardous waste under Applicable Law, including, without limitation, Wastes that are:

1. regulated as a toxic or hazardous waste as defined under either Subtitle C of the Solid Waste Disposal Act, 42 U.S.C. §§ 6921-6939a, or Section 6(e) of the Toxic Substances Control Act, 15 U.S.C. § 2605(e), as replaced, amended, expanded or supplemented, and any rules or regulations promulgated thereunder, or under the Environment Article of the Annotated Code of Maryland, Title 7, Section 7-101 et seq., as replaced, amended, expanded, or supplemented, and any rules or regulations promulgated thereunder; or
 2. low level nuclear Wastes, special nuclear Wastes or nuclear byproduct materials, all within the meaning of the Atomic Energy Act of 1954, as replaced, amended, expanded or supplemented, and any rules, regulations or policies promulgated thereunder.
- B. Any other Waste which any Governmental Body or unit having appropriate jurisdiction shall lawfully determine, from time to time, to be ineligible for disposal through facilities of the type being used to provide the Service because of the harmful, toxic, or dangerous composition or characteristics of the Waste or substance. Any such designation would, under the Agreement, be considered an Uncontrollable Circumstance as defined in the Agreement.

"Hazardous Waste Costs" means with respect to Hazardous Waste proven to have been delivered to a Facility by the City, the actual costs of the removal and disposal of such Hazardous Waste to a Hazardous Waste permitted facility and all other costs and liabilities associated with or arising from the removal, transportation or disposal of such Hazardous Waste; provided, that Hazardous Waste Costs do not include:

- A. any costs or liabilities incurred due to the Authority's negligence, willful misconduct or failure to adhere to Applicable Law or the Hazardous Waste Protocol in connection with any Waste it knows or should know to be Hazardous Waste;
- B. any costs incurred by the Authority for the operation or maintenance of a Facility as a result of the discovery of Hazardous Waste;
- C. any costs or liabilities paid by any third party or insurance policy.

Hazardous Waste Costs also include the cost of any repairs or alterations to a Facility necessitated by the presence or inadvertent Acceptance of such Hazardous Waste and all liabilities, damages, claims, demands, expenses, suits or actions including reasonable appeals, notices of violations, fines, penalties and attorney's fees in connection with any civil or administrative proceeding arising from the presence of such Hazardous Waste at a Facility or the removal or disposal of such Hazardous Waste including, without limitation, any suit for personal injury to, or death of, any person or persons, or loss or damage to property resulting from the presence, removal, disposal or inadvertent processing of such Hazardous Waste.

The City shall be responsible for Hazardous Waste proven to have been delivered to a Facility by the City, the actual costs of the removal and disposal of such Hazardous Waste to a Hazardous Waste permitted facility and all other costs and liabilities associated with or arising from the removal,

transportation or disposal of such Hazardous Waste.

"Labor Action" means a strike, lockout or other similar work shutdown or stoppage by workers.

"MRF" means the Material Recovery Facility or Processing Facility.

"Non-performing Party" means a party to this Agreement who fails to perform any obligation or comply with any requirement of such party under this Agreement.

"Notice of Termination" means a written notice requiring the termination of this Agreement due to an Event of Default that specifies the factual basis for such termination and the date on which this Agreement will terminate as set forth in this Agreement.

"Operations Date" means the date the Authority begins to load and transfer Recovered Material from the Transfer Station. Operations will begin concurrent to the Operations Date of the Recycling Services Agreements.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company or unincorporated organization, or any government unit or agency or political subdivision not otherwise expressly named in this Agreement.

"Process or Processing" means the preparation necessary to render recyclables acceptable to markets and/or designated buyers and may include, but not be limited to, sorting, cleaning, shredding, baling, crushing, and densifying.

"Processing Facility" means the Recovered Materials recycling facility (or facilities) identified by the Authority as the facility for final processing of Recovered Material delivered by the City under the Agreement. The Authority must provide a Disposal Facility for all Residue and non-processible waste. The Company's processing Facilities for single stream material is located at 7175 Kit Kat Road, Elkridge, MD 21075. The Company's processing Facility for cardboard only is located at [ADDRESS].

"Receiving Hours" means the Processing Facility Receiving Hours per the Recycling Service Agreements, or such other hours as may be established in writing from time to time by the Authority Representative and the City Representative. In the event of an emergency condition affecting the transportation contractor(s) access to the Processing Facility or the ability for the Authority to process the Recovered Material in an effective and efficient manner, Parties agree to cooperate to ensure timely Service, including modifying Receiving Hours as needed. There are eleven (11) observed holidays, as follows: Independence Day, Labor Day, Juneteenth, Indigenous People's Day, Veteran's Day, Thanksgiving Day, Christmas Day, New Year's Day, Martin Luther King, Jr. Day, President's Day, Good Friday, and Memorial Day. The City also observes Election Day on applicable years. The Facility will follow a 1-day delay schedule (slide schedule) during the week following one of these holidays.

"Recovered Materials" means recyclable materials that are separated from the waste stream prior to arriving at the City or City designated Transfer Station. Schedule 1 lists the acceptable Recovered Materials under the Recycling Service Agreement. The Authority shall not reject acceptable materials

that are wet due to weather conditions. This list may be updated by addition or subtraction, from time to time, with mutual consent by both parties, of materials that apply to all Processing Facility customers, including other local governments.

"Recycling Sort" means a sort performed in accordance with Schedule III of Recycling Service Agreement.

"Required Insurance" means the types and amounts of insurance set forth in Schedule II of the Recycling Service Agreement.

"Residue" means non-recyclable material recovered from the Company's processing technologies. No material under Schedule 1 of the Recycling Service Agreement can be defined as Residue.

"Service" means the acceptance, processing and recycling of Recovered Materials delivered to the Authority pursuant to this Agreement.

"Recycling Service Agreement" means the Recycling Service Agreement between the Authority and _____ dated _____.

"Service Fee" is defined in Section 2 of this Agreement and Recycling Service Agreement.

"Subcontractor Default" means the failure of any Subcontractor that is not an Affiliate of the Company or other subcontractor or supplier (except an Affiliate of the Company) selected with reasonable care to furnish labor, services or equipment.

"Ton" means a "short ton" of two thousand (2,000) pounds.

"Transfer Station(s)" means the Northwest Transfer Station located at 5030 Reisterstown Road, Baltimore, MD 21215 and/or a solid waste acceptance facility designated by the City.

"Unacceptable Waste" means:

- A. Hazardous Waste; and
- B. That portion of solid waste the disposal of which (i) may present a substantial endangerment to public health or safety, or (ii) would cause Applicable Law to be violated, or (iii) is likely to materially adversely affect the operation of a facility; provided, however, that if such Unacceptable Waste (other than Hazardous Waste) is delivered in quantities and concentrations as determined by the City and as part of normal collections so as not to have the effect described in clauses (i), (ii) and (iii) above it shall constitute acceptable Waste or Recovered Material unless otherwise directed by State or federal regulatory authorities. The Unacceptable Wastes described in this paragraph (B) shall include:
 - 1. Pathological and biological waste, explosives, medical and infectious waste, cesspool and other human waste, human and animal remains;
 - 2. Large automobile and vehicular parts, trailers, agricultural equipment, marine vessels,

- whole tires, compressed gas tanks;
- 3. Oil sludge or liquid wastes;
- 4. Radioactive materials as defined in COMAR 26.15.02; and
- 5. Propane canisters, helium balloon tanks, and refrigerant containers.

"Unacceptable Waste Disposal Cost" if applicable, the City will reimburse the Authority for the cost of disposal of Unacceptable Waste in accordance with Section 2(a) of the Agreement.

"Uncontrollable Circumstance" means an event or condition listed in this definition, whether affecting the Authority, the City, or the Company, that has, or may reasonably be expected to have, a material adverse effect on performance under this Agreement, if such event or condition is beyond the reasonable control, and not the result of willful or negligent action or a lack of due diligence, of the Non-performing Party relying thereon as justification for not performing any obligation or complying with any condition required of such party hereunder, for delaying such performance or compliance. The following events or conditions, and no others, shall constitute Uncontrollable Circumstances if they meet the requirements of the preceding sentence:

- A. an act of God (excluding reasonably anticipated weather conditions for the applicable geographic areas), hurricane, landslide, earthquake or similar occurrence, fire, explosion or other casualty, epidemics, pandemics and other public health emergencies, an act of the public enemy, war, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, or sabotage;
- B. the failure of the jurisdiction in which a facility is situated or the appropriate federal or state agencies or public utilities having operational jurisdiction in the area or location of the facility to provide and maintain and assure the maintenance of all utilities services (excluding sewage and water lines) to the facility for operation of the facility, provided they are essential to the facility; and
- C. a non-Company or non-subcontractor Labor Action.

No other conditions of any kind shall be considered an Uncontrollable Circumstance for the purpose of this Agreement. In no event will Subcontractor Default or a Company Labor Action constitute an Uncontrollable Circumstance.

The term "reasonable control" includes investigation or planning that is required by sound management or industry practices. No change in any Applicable Law imposing or increasing any tax, fee, assessment or charge shall constitute an Uncontrollable Circumstance. The City shall not be liable for the loss of any tax benefits relating to the Service for any reason whatsoever, if any.

1. Authority's Duties.

- (a) The Authority shall accept, process, and recycle Recovered Materials transferred to the Company by Baltimore City and/or the Authority's (or Baltimore City's) transportation

contractor during the Company's Receiving Hours, as described and defined in this Agreement. The City reserves the right under this Agreement to import and process through the Transfer Stations, Recovered Materials from locations outside the confines of Baltimore City, Maryland ("the City"), if approved by the Authority. The Authority has sole responsibility for the provision and operation of all Facilities, personnel, and sites necessary to provide the Service. Services requested under this Service Agreement shall begin on July 1, 2026 (Operations Date). There is no minimum tonnage guarantee under this Service Agreement. The City is not obligated to deliver a certain quantity of material to the Authority.

Beginning on the Operations Date, and continuing throughout the term of this Agreement, the Authority shall provide the Service in accordance with this Agreement and Applicable Law. The Authority is obligated to accept and process all Recovered Material transferred to the Company's Processing Facility by the City. Provisions for Hazardous Waste, if any, and Unacceptable Waste, if any, are set forth in Section 2 below.

(b) The Authority's Services will be provided in accordance with all applicable standards and Applicable Law. The City acknowledges that the Authority conducted a procurement to obtain a contractor to perform the Service that the Authority is obligated to perform under this Agreement, and that the Authority has entered into a Recycling Service Agreement with the Company to perform the Service. The City agrees that the Authority may perform the Service by means of its Recycling Service Agreement with the Company.

(c) In support of the City's public education efforts, the Authority will arrange for payment will be made from the Company to the City or Authority (on behalf of the City) in the amount of \$0.50 (outreach payment) per ton of Recovered Material (not including the tonnage allocated to residue based on current commodity composition) accepted (not including heavily contaminated loads under the Authority approved standard operating protocol for heavily contaminated loads) at the Processing Facilities. The City will provide an annual letter to the Authority outlining the disposition of outreach funds by September 1st for the prior fiscal year of outreach payments ending June 30th. In addition, the Authority will arrange for the Company to provide imagery/video and other information as requested by the City to customize and use for public education materials.

2. Service Fees

To the extent that any Authority out of pocket professional fees and expenses are attributable to the City, the City shall be required to bear the expense ("Approved Pass Through Costs"). The City shall take all such action as may be necessary to provide for payment of the Service Fee and other amounts due hereunder.

Each fiscal year, the City may include in its annual budget an amount or amounts sufficient to meet all of its obligations under this Agreement or take such other appropriate action as may be necessary to ensure the availability of funds sufficient to meet all such obligations.

From and after the Operations Date, the Company may charge and collect from the City a Service Fee for each ton of Recovered Material accepted by the Authority for processing and recycling

hereunder.

The Service Fee for single stream material shall be the City's revenue share minus a Single Stream Processing Fee. The City's revenue share is 75% of the City's blended commodity value based on the City's commodity composition and the applicable commodity market indices. If the City's revenue share is greater than the Single Stream Processing Fee, the Service Fee shall be a credit to the City.

A blended commodity value shall be computed by adding the first monthly published index values for the single stream material, retroactive to the first of the month. The published index values to be used in computing the MPI are the following:

- For cardboard and residential mixed paper, the following indices published under Fastmarkets RISI PPI Pulp & Paper Week:
 - Mixed Paper (54) Northeast - New York (high price)
 - OCC (11) – OBM Northeast – New York (high price)
- For aluminum cans, steel/tin cans, PET, Natural HDPE, Colored HDPE, Plastics (3-7), rigid plastics, and glass the indices published under RecyclingMarkets.net Secondary Materials Pricing New York (NE USA/Maritimes), retroactive to the first of the month. The indices to be used are as follows:
 - Aluminum/beverage cans: Metals Aluminum Cans (Loose, ¢/lb., dropped off at RC) (Regional High price)
 - Steel/tin cans: Metals Steel Cans (Sorted, Loose, \$/ton, dropped off at RC) (Regional High price)
 - Plastics PET (Baled, ¢/lb., picked up) (Regional High price)
 - Average of Regional High Price for Plastics Natural HDPE (Baled, ¢/lb., picked up) and Regional High Price for Plastics Colored HDPE (Baled, ¢/lb., picked up)
 - Plastics Commingled (3-7, Baled, ¢/lb., picked up) (Regional High price)
 - Rigid plastics: Plastics Mixed Bulky Rigid (Baled, ¢/lb., picked up) (Regional High price)
 - Glass 3 Mix (\$/ton Del. as Recyclable/Disposable – Incl. Environmental Fees/Battery Surcharge, etc.) (Regional High price)
- The value of Scrap Metal shall be a fixed rate of \$0.00 per ton.
- The value of Residue in the single stream shall be fixed rate of [INSERT RESIDUE PRICE PROPOSAL] per ton.

Below are examples for calculating the Service Fees. The commodity compositions presented in the example (item i below) shall be used for the term of the Service Agreement or until a Recycling Sort is performed. Each party has the right to request Recycling Sorts at the Processing Facility per Schedule 3 during the term of this Agreement.

The City may also deliver source-separated cardboard to the Processing Facility. The Service Fee for source separated cardboard shall be 75% of the high Northeast region index for OCC (11) minus the Cardboard Processing Fee.

If the City's revenue share is greater than the applicable Processing Fee, the Service Fee shall be a credit to the City.

(i.) Baltimore City Single Stream Commodity Composition

Commodity	Commodity Market Index Value	Commodity Composition (no rounding)	Adjusted Value (no rounding)
OCC (11)	\$80.00	25.32%	\$20.25
Mixed Paper (54)	\$40.00	17.41%	\$6.96
Mixed Glass	-\$10.00	17.89%	-\$1.78
Aluminum Cans	\$1,340.00	1.34%	\$17.97
Steel Cans	\$5.00	1.57%	\$0.07
PET	\$380.00	3.81%	\$14.47
HDPE	\$970	1.50%	\$14.52
Plastics (3-7)	\$50.00	8.83%	\$4.41
Scrap Metal	\$0.00	0.46%	\$0.00
Rigid Plastics	\$20.00	0.76%	\$0.15
Residue (See Cost Proposal)	[-\$76.46]	21.11%	-\$16.14
Total		100%	\$60.91

Blended Commodity Value (Market Price Index)	\$60.91 per ton (no rounding)
Baltimore City Revenue Share (%)	75%
Baltimore City Revenue Share (\$/ton)	$\$60.91 * .75 = \45.69 per ton (no rounding)
Single Stream Processing Fee	\$110.96 per ton
Service Fee (or Tip Fee) (rounded to the second decimal place)	$\$45.69 - \$110.96 = - \$65.27$ per ton

(ii.) Source Separated Cardboard (if Baltimore City transfers cardboard loads)

	OCC Market Index Value	Baltimore City Revenue Share (%)	Adjusted Value
OCC (11)	\$80.00	75%	\$60.00 per ton
Cardboard Processing Fee			\$58.28 per ton
Service Fee (or Tip Fee)			\$1.72 per ton (credit to City)

The Service Fees including the Processing Facility Residue and Transportation Rate for rejected tonnage, if applicable, as define under the Recycling Service Agreements, shall be full and complete payment to the Company for the services provided under this Agreement.

The Processing Facility's designated scale (if such scale is certified for commercial transactions by the applicable State where the Processing Facility is located or other regulatory authority records), shall be the basis for payment. The Authority's record shall include the following: gross weight, tare weight, date, time of arrival, time of departure, and vehicle identification (truck or

permit number). The Authority shall obtain approval of, inspect and test the vehicle scales as required by Applicable Law. The Authority, at the written request of the City, in the presence of an City representative, shall make additional tests of all vehicle scales. The cost of the additional tests shall be borne by the City if the scales meet the accuracy requirements of Applicable Law. If the scales do not meet the accuracy requirements of Applicable Law, the cost of the additional tests shall be borne by the Authority. If any test shows that a scale registers farther above or below the correct reading than permitted by Applicable Law, the charges and calculations based on scale readings made within thirty (30) days preceding the test shall be corrected by the percentage of inaccuracy found. If a test of the scales has been performed during the preceding thirty (30) days, only the readings and related charges and calculations made after that test shall be corrected on the basis of the subsequent test.

The Authority shall provide the Authority access to the daily transfer vehicle scale records or email such records to the City upon the City's request.

At the City's request, the Company must provide a scale certification certificate. If vehicle scales at the Processing Facility are not working properly, not certified as required above, or are being tested, the applicable Transfer Stations' designated scales shall be the basis for payment.

The City shall be responsible for Hazardous Waste proven (by providing photo documentation, scale record(s), and truck/trailer identifiers of the hazardous waste load(s)) to have been delivered to the Processing Facility by the City and the actual Hazardous Waste Costs associated with removal and disposal of such Hazardous Waste. In such a situation and upon the City's request, the Authority shall handle the removal and disposal of such Hazardous Waste at the cost of the City.

The City shall be responsible for the Unacceptable Waste Disposal Costs for any Unacceptable Waste delivered to the Processing Facility by the City.

If the Authority disputes any amounts owed, parties in good faith may attempt to resolve any dispute pursuant to Section 20 of this Agreement.

If the City exercises its option to renew the Agreement per Section 4 below, the Company may request an inflation adjustment to the Service Fees. The inflation adjustment shall be 100% of any increase in the Bureau of Labor Statistics' CPI for all urban consumers Baltimore- Columbia-Towson, MD Area. The first adjustment shall compare the most recent reported CPI as of July 1, 2026 (April 2026 reference month) to the June 2025 CPI reference month. Thereafter the most recent CPI reported on July 1st of the current year (April reference month) will be compared to the CPI used from previous period.

Example Calculation:

Most recent reported CPI as of July 1, 2026 (April
reference month) : 258.816
June 2025 CPI reference month: 254.354

Index Point Change: $258.816 - 254.354 = 4.462$

Inflation Adjustment: $4.462 / 254.354 + 1 = 1.02$ (The Inflation Adjustment will be rounded to the second decimal place.)

The maximum Inflation adjustment for each one-year period, shall not exceed 1.04 (or 4%).

3. Monthly Payments.

(a) The Company or the Authority shall provide the City with a separate statement or invoice for all amounts payable hereunder by the twenty-fifth (25th) day of the calendar month immediately succeeding the calendar month for which such amounts are payable. Amounts invoiced are due forty-five (30) days after receipt of the correct invoice by the City. Each invoice shall set forth the Service Fee, outreach payment, and other charges payable to the Company for the applicable period, together with supporting documentation including scale records, enough to allow the recipient of the invoice to verify the Company's calculations of the Service Fee and other charges for such period. The amounts payable monthly are calculated as follows:

- (i) The amount due for Service Fee payments; MINUS
- (ii) Outreach payment (to be paid as directed by the City); MINUS
- (iii) Delivery Delay Damages; PLUS
- (iv) Approved Pass Through Costs.

(b) The City is designated as the Authority's billing and collection agent. All recycling revenue, payments and invoices should be directed to the City detailed below. The Authority will arrange for the Company to provide the City with a statement or invoice (as set forth above and in formats approved by the City) for all amounts payable as well as payments of the Service by the twenty-fifth (25th) day of the calendar month immediately succeeding the calendar month for which service was provided. A general summary of the markets for the materials is to be provided with each statement (not the actual value, but a general description of the disposition of the processed materials). Correct Invoices shall be paid within thirty (30) days of receipt.

(c) The Company will be required to register and submit invoices directly through Workday. In addition, Company invoices and statements shall be emailed and/or mailed first class; postage prepaid to the City with a copy to the Authority:

Department of Public Works
Bureau of Solid Waste, Office of Support Services
200 Holliday Street
Baltimore, MD 21202
Attention: Recycling Program Manager
Email: Recycling@Baltimorecity.gov
Phone: 410-396-4511

With a Copy to:

Northeast Maryland Waste Disposal Authority
Tower II - Suite 402
100 South Charles Street
Baltimore, MD 21201-2705
Attention: Accounts Payable
Phone: 410-333-2730 Fax: 410-333-2721
Email: authority@nmwda.org

(d) The City agrees to review each invoice, notify the Authority if there are any corrections, settle any difference with the Company and send payment to the Company. If the City requests that the Authority directly provide any billing or accounting services, the City will pay the Authority a monthly fee to be determined by the Authority Board such amount to be included as an Approved Pass Through Cost.

4. Term.

The term of this Service Agreement begins July 1, 2026 and ends June 30, 2030, with five optional 12-month periods at the City's sole discretion. The City shall give the Authority 90 days' notice of its intent to renew for each annual option period.

5. Authority and City Representative and Warranties

The Authority hereby represents the following:

(a) The Authority is a body politic and corporate validly existing under the Constitution and laws of Maryland, with full legal right, power and authority to enter into and perform its obligations under this Agreement.

(b) The Authority has duly authorized the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms.

(c) Neither the execution or delivery by the Authority of this Agreement, nor the performance of the Authority's obligations in connection with the transactions contemplated hereby nor the Authority's fulfillment of the terms or conditions of this Agreement (i) conflicts with, violates or results in a breach of any Applicable Law, or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment or decree, or any agreement or instrument, to which the Authority is a party or by which the Authority or any of its properties or assets are bound, or constitutes a default thereunder.

(d) No approval, authorization, order or consent of, or declaration, registration or filing with, any governmental authority is required for the valid execution and delivery by the Authority of this Agreement except those that have been duly obtained or made.

The City hereby represents the following:

(a) The City is an existing political subdivision of the State of Maryland and a body politic

and corporate, duly organized and validly existing under the constitution and laws of the State of Maryland with full legal right, power and authority to enter into and perform its obligations under this Agreement.

(b) The signatory is authorized to execute and deliver this Agreement and this Agreement has been duly executed and delivered by the City and constitutes a legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms.

(c) Neither the execution or delivery by the City of this Agreement, nor the performance by the City's obligations in connection with the transactions contemplated hereby, nor the City's fulfillment of the terms or conditions of this Agreement (i) conflicts with, violates or results in a breach of any Applicable Law, or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment or decree, or any agreement or instrument, to which the City is a party or by which the City or any of its properties or assets are bound, or constitutes a default thereunder.

(d) No approval, authorization, order or consent of, or declaration, registration or filing with, any governmental authority is required for the valid execution and delivery by the City of this Agreement, except such as have been duly obtained or made.

6. Termination.

(a) Termination for Convenience: The City may terminate this Agreement for convenience, in whole or in part, whenever the City determines that such termination is in the best interest of the City, without showing cause, upon giving at least 90 days written notice to the Authority. The City shall pay all reasonable costs incurred by the Authority up to the date of termination. The Authority shall not be reimbursed for any profits which may have been anticipated but which have not been earned up to the date of termination.

(b) Termination for Default: When a Party has not performed or has unsatisfactorily performed one or more material terms of the Agreement and therefore is in default, the non-defaulting Party may terminate the Agreement for default (upon expiration of the applicable cure period as set forth below). Upon termination for Default, payment may be withheld at the discretion of the City. Failure on the part of the Authority to fulfill the contractual obligations shall be considered just cause for termination of the Agreement. If the damages exceed the undisbursed sums available for compensation, the City shall not be obligated to make any further disbursements hereunder. The Authority will be paid for work satisfactorily performed prior to termination less any excess costs incurred by the City in procuring and completing the work. Each Party will have 60 days within which to cure a breach of contract, after receiving written notice of default from the other Party.

7. Remedies for Default.

(a) The City shall have the right upon the happening of any Default, without providing notice to the Authority, in addition to other rights and remedies available, to suspend the Authority's authority to receive any undisbursed funds and/or to proceed at any time or from time to time to protect and enforce all rights and remedies available to the City, by suit or any other appropriate proceedings, whether for specific performance of any covenant, term, or condition set forth in this Agreement, or for damages or other relief, or proceed to take any action authorized or permitted

under applicable law or regulations.

(b) Upon termination of this Agreement for Default, the City may elect to pay the Authority for services provided up to the date of termination, less the amount of damages caused by the Default. If the damages exceed the undisbursed sums available for compensation, the City shall not be obligated to make any further disbursements hereunder.

(c) No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other remedies provided for in this Agreement, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or under this Agreement, or now or hereafter existing at law or in equity or by statute. Every right, power and remedy given to the City shall be concurrent and may be pursued separately, successively or together against the Authority, and every right, power and remedy given to the City may be exercised from time to time as often as may be deemed expedient by the City.

8. Insurance.

The Authority will provide or cause to be provided insurance as detailed in the Recycling Service Agreement(s).

9. Assignment.

Neither the Authority nor the City may assign this Agreement without the prior written consent of the other party.

10. Indemnification.

The Authority will provide to the City indemnification from the Company in accordance with Section 11 of the Recycling Service Agreement(s)..

11. Integration and Modification.

This Agreement sets forth the entire agreement between the parties relative to the subject matter hereof. No representation, promise or condition, whether oral or written, not incorporated herein shall be binding upon either party to this Agreement. No waiver, modification or amendment of the terms of this Agreement shall be effective unless made in writing and signed by an authorized representative(s) of all parties to this Agreement.

12. Governing Law.

The Agreement shall be governed by and construed in accordance with the laws of the State of Maryland without regard to any choice of law principles that would dictate the laws of any other jurisdiction. The parties agree that the exclusive venue for any and all actions related hereto shall be the appropriate Federal or State court located within the State of Maryland.

13. Change of Law.

(a) If there occurs an increase or decrease in a fee to transport, process or dispose of acceptable material imposed by Applicable Law, which the Authority is obligated to pay, this shall be considered a "Change of Law."

(b) Notice of Change of Law. Within 90 days of the adoption or promulgation of an asserted Change of Law, the City or the Authority shall notify the other party such asserted change. Failure to provide such-notification shall entitle the receiving party to reject the Change of Law claim.

(c) The Authority may pass through such an increase as an adjustment to the Service Fees. If the adjusted service fee exceeds 110% of the current Service Fee prior to the adjustment, the City may elect to (1) terminate this Agreement, or (2) reduce total deliveries of acceptable material to the Authority. If this Agreement is terminated or acceptable material deliveries are reduced, then neither party shall be liable to the other party for any amounts otherwise due hereunder, except for the Service Fee amounts due for acceptable material delivered prior to the effective date of the termination or reduction of deliveries.

14. Severability.

If any of the provisions in this Agreement are declared by a court or other lawful authority to be unenforceable or invalid for any reason the remaining provisions hereof shall not be affected thereby and shall remain enforceable to the full extent permitted by law.

15. Time is of the Essence; Uncontrollable Circumstance.

(a) Time is of the essence with respect to performance of the terms and conditions of this Agreement excepting the event of an Uncontrollable Circumstance (as defined) which prevents either party from performing timely.

(b) A party to this Agreement shall not be in default or liable to the other party for its failure to perform obligations, if such failure results from an Uncontrollable Circumstance. Notwithstanding the foregoing, the Authority shall diligently overcome or remove such Uncontrollable Circumstance as soon as possible. The Authority must adequately address any inquiries of the City about conditions caused by the Uncontrollable Circumstance, as well as preventative measures put into place by the Authority.

16. Funding.

The contractual obligation of the City under this Agreement is contingent upon the availability of funds appropriated by the City from which payment for the Services can be made.

17. Notice.

All notices, designations, consents, approvals, and other communications required, permitted or otherwise delivered under this Agreement shall be in writing and may be sent by email or delivered by hand or mailed by first class registered or certified mail, return receipt requested, postage prepaid,

and in any case shall be addressed as follows:

If to the Authority:

Northeast Maryland Waste Disposal Authority
Tower II, Suite 402
100 South Charles Street
Baltimore, MD 21201-2705
Attention: Executive Director
Phone: 410-333-2730, FAX: 410-333-2721
Email: authority@nmwda.org

If to the City:

Department of Public Works
Bureau of Solid Waste, Recycling Office
200 Holliday Street
Baltimore, MD 21201
Attention: Recycling Program Manager
Email: Recycling@Baltimorecity.gov
Phone: 410-396-4511

18. No Waiver, Etc.

No failure or delay by either Party to insist upon the strict performance of any term, condition or covenant of this Agreement, or to exercise any right, power, or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, condition, or covenant or of any such breach, or preclude a Party from exercising any such right, power, or remedy at any later time or times.

19. Disputes.

The parties shall in good faith attempt to resolve any dispute or matter in controversy under this Agreement. All disputes under this Agreement, if not resolved by the parties, shall be resolved by courts of competent jurisdiction in the State of Maryland with the venue in Baltimore City, Maryland and in accordance with the laws of the State of Maryland. Pending resolution of any dispute, the Authority is obligated to continue performance of this Agreement.

20. Performance Security.

Prior to the Operations Date and per the Recycling Service Agreement, the Authority shall obtain from the Company a Performance Bond or Letter of Credit (LOC) from a surety, insurance company, or financial institution acceptable to the City, covering the performance obligations of the Authority under this Agreement.

IN WITNESS WHEREOF, The Authority and the City have executed and sealed this Agreement as of the date first written above.

WITNESS:

**NORTHEAST MARYLAND WASTE
DISPOSAL AUTHORITY**

By: _____

Date: _____

WITNESS:

Mayor and City Council of Baltimore, MD

By: _____

Date: _____