

ASSIGNMENT AND ASSUMPTION AGREEMENT AND BILL OF SALE

This ASSIGNMENT AND ASSUMPTION AGREEMENT AND BILL OF SALE, dated as of October 31, 2023 (this “Agreement”), is entered into by and between Recology Clackamas Inc., a Delaware corporation (“Purchaser”), on the one hand, and Sunset Garbage Collection Inc., an Oregon corporation (“Sunset”), S & C Properties, LLC, an Oregon limited liability company (“Properties”), and S & C Licensing, LLC, an Oregon limited liability company (“Licensing”, and together with Sunset and Properties, each a “Company” and collectively, the “Companies”), on the other hand.

RECITALS

WHEREAS, pursuant to an Asset Purchase Agreement, dated as of August 1, 2023 (the “Asset Purchase Agreement”), by and among Purchaser, Companies, Recology Inc., a California corporation (“Recology”), Steven M. Schwab, an individual (“Mr. Schwab”), and Carla Scheafer, an individual (“Ms. Scheafer”), the Companies have agreed to sell, convey, transfer, assign and deliver to Purchaser, and Purchaser has agreed to acquire from the Companies, free and clear of all Encumbrances (other than Permitted Encumbrances), all of the Companies’ right, title and interest in and to the Assets as set forth on Schedule 1 attached hereto; and

WHEREAS, pursuant to the Asset Purchase Agreement, Purchaser has agreed to assume, satisfy, and discharge when due the Assumed Liabilities set forth on Schedule 2 attached hereto.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser and the Companies agree as follows:

Section 1. Definitions. Except as otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings ascribed to them in the Asset Purchase Agreement.

Section 2. Assignment of Assets. Effective as of the Closing, each of the Companies, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, hereby sells, conveys, transfers, assigns and delivers to Purchaser all of its right, title and interest in and to the Assets set forth on Schedule 1 attached hereto, and Purchaser hereby acquires and accepts from each Company, free and clear of all Encumbrances (other than Permitted Encumbrances), all of such Company’s right, title and interest in and to the Assets set forth on Schedule 1 attached hereto. It is expressly agreed that the Companies shall retain, and Purchaser shall not acquire, the Excluded Assets and that nothing contained herein shall constitute, or shall otherwise be deemed to constitute, any sale, conveyance, transfer, assignment or delivery, or any agreement to sell, convey, transfer, assign or deliver, any right, title or interest in or to any Excluded Assets. Notwithstanding the foregoing, the assignment hereunder of any Assumed Contract that prohibits assignment by its terms or that is not assignable without the prior written consent of the other party or governmental agency shall not be effective unless and until consent of such other party or governmental agency shall have been obtained.

Section 3. Assumption of Assumed Liabilities. Effective as of the Closing, Purchaser hereby assumes and agrees to satisfy and discharge when due the Assumed Liabilities set forth on Schedule 2 attached hereto. Purchaser shall not assume or have any liabilities for, the Retained Liabilities and that nothing contained herein shall constitute, or shall otherwise be deemed to constitute, any assumption of any Retained Liabilities.

Section 4. No Third Party Beneficiaries. Nothing contained in this Agreement is intended by the parties to expand the rights and remedies of any third party (which, for the avoidance of doubt, does not include Recology or any Affiliate of Recology) against any party hereto as compared to the rights and remedies which such third party would have had against such party had the parties hereto not consummated this Agreement.

Section 5. Subject to Purchase Agreement. This Agreement is subject to the terms and conditions of the Asset Purchase Agreement. Nothing herein contained shall itself change, amend, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Asset Purchase Agreement in any manner whatsoever. This Agreement does not create or establish liabilities or obligations not otherwise created or existing under or pursuant to the Asset Purchase Agreement. In the event of any conflict or other difference between the Asset Purchase Agreement and this Agreement, the provisions of the Asset Purchase Agreement shall control.

Section 6. Governing Law. This Agreement shall be deemed to be made and in all respects shall be interpreted, construed and governed by and in accordance with the Laws of the State of Oregon without regard to the conflicts of laws principles thereof.

Section 7. Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Purchaser, Recology and the Companies and their respective successors and assigns, but shall not create any right(s) of subrogation or other right on the part of any other person.

Section 8. Amendment, Waiver and Termination. This Agreement cannot be amended, modified, supplemented, waived or terminated except by an instrument in writing specifically designated as an amendment hereto, signed by each of the parties hereto.

Section 9. Headings. The headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

Section 10. Severability. If any term, provision or application of this Agreement is held invalid or unenforceable the remainder of this Agreement and any application of the terms and provisions hereof shall not be affected thereby, but shall remain valid and enforceable.

Section 11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic signature in portable document format (.pdf) and a facsimile or electronic signature in portable document format (.pdf) shall constitute an original for all purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its officers hereunto duly authorized, all as of date first above written.

RECOLOGY CLACKAMAS INC.

DocuSigned by:
Salvatore M. Coniglio
By: 444C41D60A26433
Name: Salvatore M. Coniglio
Title: Chief Executive Officer

SUNSET GARBAGE COLLECTION INC.

By: _____
Name: Steven M. Schwab
Title: President

S & C PROPERTIES, LLC

By: _____
Name: Steven M. Schwab
Title: Authorized Member

S & C LICENSING, LLC

By: _____
Name: Steven M. Schwab
Title: Authorized Member

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its officers hereunto duly authorized, all as of date first above written.

RECOLOGY CLACKAMAS INC.

By: _____
Name: Salvatore M. Coniglio
Title: Chief Executive Officer

SUNSET GARBAGE COLLECTION INC.

By: Steven M. Schwab
Name: Steven M. Schwab
Title: President

S & C PROPERTIES, LLC

By: Steven M. Schwab
Name: Steven M. Schwab
Title: Authorized Member

S & C LICENSING, LLC

By: Steven M. Schwab
Name: Steven M. Schwab
Title: Authorized Member

Schedule 1

Assets

[REDACTED]

(b) the following Franchise Agreements: (i) the Residential Solid Waste, Recycling and Composting collection franchise granted by the City of Portland to S & C Licensing LLC pursuant to Ordinance No. 189242 passed by the City Council of the City of Portland on November 7, 2018 and accepted by S & C Licensing by written acceptance filed with the City Auditor on January 18, 2019; and (ii) the franchise to collect solid waste issued by the Clackamas County Board of Supervisors to Sunset Garbage Collection pursuant to Order No. 71-425 dated May 14, 1971 and subsequently transferred to S & C Licensing, LLC;

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Schedule 2

Assumed Liabilities

All Liabilities, commitments and other obligations arising after the Closing Date under the Assumed Contracts and the Franchise Agreements, but only to the extent such Liabilities and obligations (A) arise after the Closing Date; (B) do not arise from or relate to any breach by any Seller of any provision of any such Assumed Contracts or the Franchise Agreements; and (C) do not arise from or relate to any event, circumstance or condition occurring or existing on or prior to the Closing Date that, with notice or lapse of time, would constitute or result in a breach of such Assumed Contracts or the Franchise Agreements.

[REDACTED]

[REDACTED]