OPERATING AND DISPOSAL AGREEMENT

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This ~~Lease~~ Operating and Disposal Agreement, hereinafter "Agreement", is made effective as of the _____ day of October 2026 ("Effective Date"), by and between the Clinton ~~Public Works~~Solid Waste Authority, hereinafter "Authority", an Oklahoma Public Trust, and Veteran Waste Solutions, Inc, hereinafter "VWS", an Oklahoma Corporation.

WITNESSETH:

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WHEREAS, Authority solicited proposals for the operation and management of the City of Clinton Solid Waste Transfer Station, " Transfer Station", and,

WHEREAS, VWS in response to said solicitation proposed to and operate the Transfer Station and deliver all Acceptable Waste delivered to the station by the Authority to a permitted solid waste landfill,

WHEREAS, Authority has agreed under a separate Lease Agreement to lease property, facility structures, and fixed infrastructure located at 220 East Commerce Street in order to operate the Transfer Station,

WHEREAS, Authority and VWS desire to enter into an Operating and Disposal Agreement to operate the Transfer Station and dispose all of the Authority's Acceptable Waste,

NOW, THEREFORE, ~~for~~ in consideration of the provisions and the respective covenants and agreements set forth in this Agreement, and other good and valuable consideration~~s~~, Authority and VWS agree as follows:

1. Scope of Work. VWS, at its sole cost and expense, shall provide all labor, supervision, vehicles, equipment, supplies, transportation, and disposal services ~~and equipment~~ necessary to operate the Transfer Station and transport and lawfully dispose of all Acceptable Waste. Disposal and transportation costs are included in the base rate except for the specifically authorized state fee and fuel surcharge. VWS shall maintain an approved alternative disposal arrangement for interruptions at the primary landfill, subject to the same verification and approval requirements. ~~to include the transport and payment of any and all disposal costs~~.
2. Specific Operational Obligations. VWS will act strictly as an independent ~~operator~~contractor and shall have no authority to bind Authority or the City of Clinton, in its performance of the Scope of Work. Because the ~~City of Clinton and or~~ Authority will own the permit, VWS will be held to the highest standard of compliance with all federal, state and local environmental laws, ordinances and operating rules. Nothing herein shall be construed as a transfer of the Facility Permit or represents that it was issued to VWS. VWS may operate only within the authority provided by applicable law, the Facility Permit, the Operating Plan, and required agency approvals.
3. Facility Operations:
    a. Daily Management. VWS will accept, process and transfer all Acceptable Waste received at the Transfer Station. Acceptable Waste is defined as any non-hazardous waste that can

be accepted at a permitted MSW landfill that is not considered Special or Hazardous Waste. Waste. Waste prohibited by either facility's authorization shall not be accepted. VWS shall inspect incoming loads, implement the approved waste-screening procedures, isolate suspect waste safely, promptly notify Authority, and arrange lawful handling of improperly delivered waste.

b. Hours of Operation. VWS will operate the Transfer Station from 7:00 am to 5:00 pm Monday through Friday with the exception of observed holidays. VWS will observe the following holidays:
   i. New Year's Day
   ii. Memorial Day
   iii. Independence Day
   iv. Labor Day
   v. Thanksgiving
   vi. Christmas

4. Term. The Agreement shall be for a term of seven years commencing on the Eeffective Ddate. The Agreement ~~will~~ may be extended for additional five (5) year terms unless either party gives written notice not to extend the Agreement at least one hundred and eighty (180) days prior to the end of the initial term ~~of the end of any extension term thereafter~~or one hundred and eighty (180) days prior the end of the Authority's fiscal year in any renewal term. The separate lease of the Transfer Station between these parties ("Lease") shall commence on the same Effective Date. As between these parties, this Agreement and the Lease shall have coordinated terms, renewal deadlines, and termination dates. A material default under either instrument constitutes a default under both, subject to the applicable notice and cure provisions. Expiration or termination of this Agreement shall simultaneously terminate the Lease and VWS's right to possess and operate the Transfer Station, except for a limited transition expressly authorized in writing by Authority. The parties agree that this paragraph controls any inconsistent Lease provision concerning coordinated term, default, or termination and shall execute a conforming Lease amendment if needed. Expiration or termination of the Lease shall likewise end this Agreement, subject to accrued and surviving obligations.

5. Regulatory Compliance and Record Keeping. VWS will comply with all applicable federal and state regulations and final regulatory orders in its ~~operate~~ operation of the facility ~~in accordance with~~incuding the City's approved DEQ Development and Operations Plan. VWS will maintain all required record keeping to include daily incoming waste volumes, haul tickets, and weight tickets from disposal sites. VWS will provide access to the facility during normal business hours and records for inspections by City staff or DEQ representatives. At its expense, VWS shall obtain and maintain all licenses, permits, registrations, certifications, and qualifications required specifically for its business, personnel, vehicles, transportation, and operational activities and furnish evidence upon request. VWS shall timely prepare and furnish accurate operational

information, reports, and supporting documents for any necessary inspections, audits, or permit renewals during the term of this agreement. Records shall be retained for at least five (5) years, longer if required by law or unresolved proceedings, and furnished to Authority monthly and upon request. VWS shall provide Authority copies of regulatory filings before submission when reasonably practicable. VWS shall immediately notify Authority of spills, prohibited waste, unsafe conditions, or actual or threatened loss of authorization, and within one (1) business day provide copies of inspection reports, notices of violation, enforcement correspondence, and other material regulatory communications received or sent by VWS. VWS shall reimburse Authority for reasonable corrective-action costs and legally recoverable regulatory liabilities attributable to VWS's breach, negligence, unlawful acts, or operations contrary to applicable requirements; this obligation survives termination.

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6. Authority's Right to Inspect the Leased Property. Authority shall have the right during normal business hours to enter upon the Leased Property for the purpose of inspecting same or observing its use.

7. Maintenance, Vectors and Litter Control. VWS shall operate the Transfer Station such that odor, noise and litter shall be effectively controlled in compliance with industry standards. Waste accumulation shall never exceed approved quantity or storage-time limits. Notwithstanding, said nuisance controls must be in compliance with all local, state and federal regulations. VWS will perform routine maintenance and operate the Transfer Station within industry standards. ~~Any damage to the site caused by negligence will be the responsibility of VWS to repair.~~ VWS shall promptly repair damage caused by its employees, agents, contractors, or negligent or wrongful operations. Structural and capital obligations otherwise allocated by the Lease remain governed by the Lease, subject to the operational and damage obligations herein.

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8. Insurance. VWS will maintain the following insurance coverages at all times:
   a. Workers Compensation – Statutory
   b. General Liability - $2,000,000 General Aggregate
   c. Auto Liability - $1,000,000 per occurrence
   d. Pollution Liability — at least $1,000,000 per claim or occurrence and $2,000,000 aggregate covering applicable transfer-station operations, transportation pollution risks, cleanup costs, and third-party bodily injury and property damage. Any claims-made pollution coverage shall have a retroactive date no later than commencement and be maintained, or include extended reporting coverage, for three (3) years after termination.

Authority and City, and their officers, employees, and agents, shall be additional insureds on general liability and, where available for the applicable risks, automobile and pollution policies for liabilities arising from VWS's operations. Such coverage shall be primary and noncontributory to their insurance, to the extent available by endorsement. Before commencing services and upon renewal, VWS shall provide certificates and required endorsements;

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certificates alone do not establish additional-insured status. VWS shall provide thirty (30) days' advance notice of cancellation or material reduction, or ten (10) days for nonpayment, when available from the insurer, and shall otherwise notify Authority immediately upon learning of the change. Deductibles and self-insured retentions are VWS's responsibility. Insurance does not limit VWS's contractual liability.

~~c.~~e.

9. Termination. ~~This Agreement may be terminated by either of the parties hereto as a result of a material breach of any of the terms contained herein by the other party hereto. Notwithstanding the foregoing, however, the non-breaching party shall provide written notice to the breaching party of any such breach or alleged breach, whom shall have a period of thirty (30) days from the date of said notice to cure said breach.~~ Either party may terminate this Agreement for the other party's material breach by written notice describing the breach if it is not cured within thirty (30) days after receipt. If a nonmonetary breach cannot reasonably be cured within thirty (30) days, the breaching party must commence cure within that period and diligently pursue completion, but the cure period shall not exceed sixty (60) days after receipt unless the nonbreaching party agrees otherwise in writing. No cure period authorizes unlawful or unsafe operations. Authority may immediately suspend affected operations, arrange alternative service, enter the facility, and take reasonable emergency protective measures when necessary to address prohibited waste, imminent threats to health or the environment, or suspension, revocation, expiration, or absence of a required authorization. Authority shall give written notice as soon as practicable. Authority may terminate immediately if continued performance would be unlawful or an imminent threat cannot promptly be controlled, or if VWS abandons service; otherwise applicable cure rights remain available. VWS shall reimburse reasonable incremental replacement-service and protective costs caused by its breach, subject to credit for payments avoided and without duplicate recovery. Termination does not extinguish accrued payment obligations, indemnity, reimbursement, record retention, or other expressly surviving duties.

~~9.~~

10. Indemnity. VWS agrees to indemnify, defend and hold harmless the Authority, and their officers, employees, and agents for any and all liability, claims, and losses of damages arising out of or alleged to arise out of VWS's negligence, willful misconduct, breach of this agreement or failure in the performance of its work.

~~10.~~

11. Force Majeure. The performance of this Agreement may be suspended and the obligations hereunder excused in the event and during the performance is prevented by a cause or causes beyond the control of such party. The performance of the Agreement will be suspended and the obligations hereunder excused only until the condition preventing performance is remedied. Such conditions shall include but not be limited to, acts of God, acts of war, explosion, fire, flood, and terrorism. —Lack of funds, ordinary equipment breakdowns, increased costs, and loss of authorization caused by the affected party's noncompliance are not qualifying events. The affected

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party shall give prompt written notice identifying the event, affected obligations, expected duration, and mitigation measures, and provide continuing updates. Authority may obtain substitute service during an interruption. Payment is due only for services actually performed and properly invoiced; no payment is due for unperformed services. If a material interruption continues for thirty (30) consecutive days, Authority may terminate without penalty by written notice.

~~11.~~

12. Payment Terms/Billing. Authority shall pay VWS Seventy Six Dollars ($76.00) per ton plus the state fee for all Acceptable W~~w~~aste actually delivered to the Transfer Station, under this agreement. The fee shall be passed through at actual cost attributable to Authority's waste, without markup or duplicate recovery; no fee is payable merely because it is described as a state or environmental fee. Authority shall remit payments of the fees due and owed to VWS by the 15th day of each month for services rendered the previous months. Prices will be adjusted annually on April 1st by the increase or decrease of the Consumer Price Index using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), All Items, South Region, Size Class B/C, not seasonally adjusted, published by the United States Department of Labor, Bureau of Labor Statistics. The first adjustment shall occur April 1, 2027 and shall equal the change from October 2026 to February 2027, reflecting the initial partial year. Subsequent adjustments shall compare February of the adjustment year with February of the preceding year. The adjusted rate equals the existing base rate multiplied by the ratio of the newer index to the comparison index, rounded to the nearest cent. VWS shall provide the calculation and published index values at least thirty (30) days before effectiveness. CPI adjustments do not apply to state fees or fuel surcharges. ~~The first such increase will occur on April 1, 2027.~~
13. Fuel Surcharge. In the event that the DOE Index for the Midwest region averages $4.75 per gallon on higher for diesel for an entire month, VWS has the option, during the next calendar month, of passing on a fuel surcharge using the following formula:

    ——— ((Average Fuel Cost per gallon - $4.75)/10) x 100 = Percentage of Increase allowed to the disposal rate.

VWS shall provide the published observations and calculation with at least ten (10) days' written notice before imposing a surcharge; a late notice postpones effectiveness until ten (10) days after receipt, without retroactive billing. The surcharge shall be recalculated monthly, reduced when the index decreases, and eliminated when the monthly average is $4.75 or less. It applies only to the base rate and shall not compound, apply to state fees, or itself receive CPI adjustment. No separate fuel-cost increase or reimbursement is permitted, and any separately identifiable fuel increase recovered through another approved price adjustment shall be credited against this surcharge to prevent duplicate recovery.

14. Transition and Surrender. Upon expiration, termination, or nonrenewal, VWS shall cooperate with Authority and any replacement operator, promptly deliver operating records and pending regulatory matters, account for and lawfully remove waste remaining from its operations, and surrender the facility as required by the Lease. VWS shall not alter, surrender, or transfer the

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Facility Permit during transition. At Authority's written request, and only while legally authorized and insured, VWS shall provide transition service for up to thirty (30) days at the then-current contractual rates. Such service confers no renewal or continuing possessory right. Unperformed transition service is not payable. VWS's cooperation, record-delivery, cleanup, and surrender obligations survive termination

15. Notices. Notices of default, termination, nonrenewal, and other formal notices shall be in writing and delivered personally, by nationally recognized overnight courier, or by United States certified mail, return receipt requested, postage prepaid. Notice is effective upon actual delivery or documented refusal. Notices to Authority shall be addressed to Clinton Public Works Authority, 415 W. Gary Boulevard, Clinton, Oklahoma 73601, Attention: Authority Administrator; notices to VWS shall be addressed to Veteran Waste Solutions, Inc., 2424 E. Highway 66, El Reno, Oklahoma 73036, Attention: John Todd. Either party may change its address or designated recipient by written notice. Emergency operational notices shall additionally be given immediately by telephone to the parties' designated contacts and confirmed in writing within one (1) business day. Each party shall furnish current twenty-four-hour emergency contact information before commencement.

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~~14.~~16. Submission To Jurisdiction. Authority and VWS hereby agree that any action, suit or proceeding arising out of a dispute under this Agreement, shall be brought in a court of competent jurisdiction located in Custer County District Court, ~~the~~ State of Oklahoma. The prevailing party in any dispute will be eligible to receive reasonable Attorney fees.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

CLINTON PUBLIC WORKS AUTHORITY

By: _____
Name: _____
Title: _____

ATTEST
By: _____
Name: _____

VETERAN WASTE SOLUTIONS, INC

By: _____
Name: _____
Title: _____

ATTEST
By: _____
Name: _____