

**Amendment #1 to Designated Community Contract between  
the Massachusetts Department of Environmental Protection,  
the Contractor and a Designated Community**

This is an Amendment (“Amendment #1”) made by and among the Commonwealth of Massachusetts, acting through its Department of Environmental Protection (hereinafter “Department”), \_\_\_\_\_ (hereinafter “Designated Community”), and WM Recycle America, LLC (hereinafter “Contractor”), to a contract among the parties for the processing of recyclables.

WHEREAS, the Department has entered into the Commonwealth Contract with the Contractor pursuant to which the Contractor shall Receive and Process Program Recyclables from the Designated Community in accordance with the terms of that Commonwealth Contract, and

WHEREAS, the Department, the Contractor and the Designated Community have entered into a contract pursuant to which the Contractor receives and processes recyclables from the Designated Community in accordance with the terms of the Commonwealth Contract and such contract (the “Designated Community Contract”), and

WHEREAS, the Department and the Contractor have amended the Commonwealth Contract and therefore the parties desire to amend the Designated Community Contract,

NOW, THEREFORE, the Department, the Contractor and the Designated Community agree as follows:

**1. CONSTRUCTION.**

A. All capitalized terms undefined in this Amendment shall have the same meaning as set forth in the Designated Community Contract.

B. All references to Exhibit 1 in the Designated Community Contract shall refer to Exhibit 1 attached to the original Designated Community Contract for the period beginning on the Commencement Date until June 30, 2025, and shall refer to Amendment 1, Exhibit 1, attached to this Amendment and made a part hereof beginning July 1, 2025, and continuing until June 30, 2030, or at such earlier time should the Commonwealth Contract be terminated in whole or with respect to Dual Stream services.

**2. TERM OF CONTRACT**

A. Article 2 of the Designated Community Contract is amended as follows:

i. Section 2.2.2 is added as follows:

“2.2.2 The parties have agreed to a renewal term pursuant to Section 2.4 hereof which shall be for a period of five (5) years, commencing on July 1, 2025, and terminating on June 30, 2030, or at

such earlier time should the Commonwealth Contract be terminated in whole or with respect to Dual Stream services.”

ii. Section 2.3(i) is deleted and replaced with the following:

For the purposes of clarity, and notwithstanding anything in the foregoing to the contrary,

“The Department shall provide the Contractor with an executed Amendment #1 to the Commonwealth Contract and all executed Amendments to the Designated Community Contract on or before December 31, 2024. If, by December 31, 2024, the Commonwealth fails to sign Amendment #1 to the Commonwealth Contract and/or receive fully signed Amendments to the Designated Community Contracts in such form as this Amendment #1 representing not less than 14,000 tons of Dual Stream Recyclable Material per year based on the monthly reports submitted to the Department by the Contractor for the period July 1, 2023, through June 30, 2024, plus any reasonably expected annual tonnage for newly signed Designated Communities, Contractor may, in its sole discretion, notify the Designated Community in writing given not later than March 31, 2025, that this Amendment #1 is void and of no effect and that the Commonwealth Contract and all Designated Community Contracts will terminate on June 30, 2025. If no such notice is given, the Commonwealth Contract, as amended, and all Designated Community Contracts which have been amended shall be in full effect in accordance with their terms.”

Section 2.3 (ii) is deleted.

Effective July 1, 2025, Section 2.4 is amended by changing “two (2) additional five (5) year terms ... to “one (1) additional five-year term ...”

### **3. CONTAMINATED LOADS.**

Effective July 1, 2025, Section 4.5.2 is amended by adding the following:

“Effective July 1, 2025, this section shall be amended to change the material disposal charge for all tons of Contamination greater than fifteen percent (15%) to be \$130.00 per ton and the reloading fee to be \$300.00 per ton throughout this section. Such fees will be increased July 1, 2026, and every July 1 thereafter during the term of this Contract by 3.5%.”

### **4. FINANCIAL TERMS**

Article 6, Section 6.1, Processing Fee, of the Designated Community Contract is amended by adding the following:

“Beginning July 1, 2026 and every July 1 thereafter, the Processing Fee shall increase by 2.5% as shown below.

“July 1, 2025 through June 30, 2026                      \$105.79

“July 1, 2026 through June 30, 2027	\$108.43
“July 1, 2027 through June 30, 2028	\$111.14
“July 1, 2028 through June 30, 2029	\$113.92
“July 1, 2029 through June 30, 2030	\$116.77”

## 5. REVENUE SHARE PAYMENT/CHARGES

Article 6.3 of the Designated Community Contract is amended by adding the following:

“Notwithstanding the foregoing, from July 1, 2025, through June 30, 2030, the Contractor shall calculate the Average Market Value (AMV) and AMV Net Value in accordance with Exhibit 1 attached to this Amendment #1 and, notwithstanding the foregoing, Contractor shall pay or charge the Designated Community as set forth above, provided however that all references to AMV shall be references to AMV Net Value, as such term is defined in Exhibit 1 to this Amendment.”

## 6. NOTICE

Article 10 of the Designated Community Contract is deleted and replaced as follows:

### “Article 10 Notice

“All notices given under this Contract by the Designated Community shall be deemed properly served if delivered in writing to:

Mr. Steven Ellis  
Massachusetts Department of Environmental Protection  
436 Dwight Street  
Springfield, MA 01103

WM Recycle America, L.L.C.  
800 Capitol Street, Suite 3000  
Houston, TX 77002  
Attn.: President

With a copy to:  
WM Recycle America, L.L.C.  
800 Capitol Street, Suite 3000  
Houston, TX 77002  
Attn.: Law Department”

**7. EFFECTIVE DATE**

This Amendment is effective on the date the last of the parties has signed this Amendment.

IN WITNESS WHEREOF, the Commonwealth of Massachusetts, acting by and through its Commissioner of the Department of Environmental Protection, the Designated Community, and the Contractor have hereunto set their hands and seals:

I certify that I am duly authorized to enter into this Contract on behalf of:

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title:

**DESIGNATED COMMUNITY**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title:

**CONTRACTOR**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title:

**Exhibit 1: Composition and Average Market Value of Recovered Materials**

**Effective July 1, 2025**

1. The percentages used to calculate the Average Market Values (AMV) are estimates of the Recovered Material composition of Dual Stream Program Recyclables and Residue.
2. In addition to the processing fee set forth in Section 6.1, there shall be an annual processing fee adjustment of one percent (1%) of the prior year's processing fee beginning July 1, 2026. Such adjustments will be cumulative. The processing fee adjustment will be subtracted from the AMV as shown in Table 1. The processing fee adjustments shall be as follows:

YEAR	CUMULATED PROCESSING FEE ADJUSTMENT PER TON
July 1, 2025 through June 30, 2026	\$0.00
July 1, 2026 through June 30, 2027	\$1.06
July 1, 2027 through June 30, 2028	\$2.14
July 1, 2028 through June 30, 2029	\$3.25
July 1, 2029 through June 30, 2030	\$4.39

3. The Recovered Material composition percentages in Table 1 shall be used for Dual Stream Program Recyclables.
4. The Contractor shall calculate the AMV each month.
5. The commodity market indices utilized in Table 1 are intended to reflect the average market value, in the northeastern United States, of Recovered Materials. PS means the average of the prices for the appropriate grade of material published at <http://recyclingmarkets.net/secondaryfiber/index.html> for the Northeast USA/Maritimes Region first dated price each month, retroactive to the first of the month. SMP means the average of the prices for the appropriate grade of material published at [www.SecondaryMaterialsPricing.com](http://www.SecondaryMaterialsPricing.com) for the New York (NE USA/Maritimes) Region, first dated price each month, retroactive to the first of the month.
6. Glass and Dual Stream Commingled Plastics are based on Actual Value. Actual Value means the average price paid to or charged to the Processing Facility during the month of delivery, less any freight or other charges paid to third parties.
7. The Residue Fee in Table 1 as of July 1, 2025, shall be \$90.51/ton and shall be increased 3.5% annually on July 1 each year beginning July 1, 2026.
8. The tonnage expected to be delivered by all Designated Communities who have executed Amendment #1 to the Designated Community Contract is not less than 16,800 tons per yearly period from July 1 through June 30 (each such period beginning July 1, 2025, a "Renewal Year"). "Base Tonnage" for Renewal Year 1 (July 1, 2025, through June 30, 2026) means the tonnage of Dual Stream Recyclable Material represented by fully signed Amendments to the Designated Community Contracts in such form of this Amendment #1 based on the monthly reports submitted to the Department by the Contractor for the period July 1, 2023, to June 30, 2024, plus any reasonably expected annual tonnage for newly signed Designated Communities. "Base Tonnage" for Renewal Years 2, 3, 4 and 5 means the tonnage delivered during the prior Renewal Year plus any reasonably expected annual tonnage for newly signed Designated Communities. The AMV, as defined below, shall be reduced by the Tonnage Fee Adjustment, if any, during each Renewal Year.

Base Tonnage	Tonnage Fee Adjustment per Ton					
	Renewal Year 1	Renewal Year 2	Renewal Year 3	Renewal Year 4	Renewal Year 5	
16,800 and up	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
16,500 to 16,799	\$2.50	\$2.56	\$2.63	\$2.69	\$2.76	
16,000 to 16,499	\$5.00	\$5.13	\$5.25	\$5.38	\$5.52	
15,500 to 15,999	\$7.50	\$7.69	\$7.88	\$8.08	\$8.28	
15,000 to 15,499	\$10.00	\$10.25	\$10.51	\$10.77	\$11.04	
14,500 to 14,999	\$12.50	\$12.81	\$13.13	\$13.46	\$13.80	
14,000 to 14,499	\$15.00	\$15.38	\$15.76	\$16.15	\$16.56	
Below 14,000	\$17.50	\$17.94	\$18.39	\$18.85	\$19.32	

9. If the Base Tonnage (as that term is defined in this Exhibit 1) is 14,000 or less and Contractor does not exercise its right to terminate the Commonwealth Contract and void the Amendment to this Contract, or if the tonnage in any twelve (12) month period during the term of this Contract is 14,000 or less, the Contractor may, in its sole discretion, move the processing of Recyclable Material to a facility other than the Receiving Facility. Once such move has been made, the Contractor shall have no obligation to Process the Recyclable Material at the Receiving Facility, even if the tonnage of Dual Stream Materials exceeds 14,000 tons in any twelve (12) month period. The pricing set forth in the Contract and this Exhibit, including the Tonnage Fee Adjustments and the Processing Fee Adjustment, shall apply regardless of the location of Processing.
10. The Contractor shall continue to pay for two (2) subscriptions to applicable indices, or a substitute subscription in accordance with paragraph 11 below for the Commonwealth and provide the username and password for each subscription to the Commonwealth.
11. If at any time during the term of the Contract applicable indices no longer post or otherwise provide the applicable market indices, or if such indices do not accurately reflect the value of such materials, then the Contractor and the Commonwealth shall jointly select an appropriate replacement source for the required information from among the sources recycling industry professionals utilize to obtain reliable Recovered Material pricing information. A change in the market indices used shall become effective on the first day of the month following joint agreement and for the remainder of the Contract, or until subsequently replaced.
12. The Revenue Share Payment formula in Section 6.3 of this Contract shall be used for calculating payments and charges to Designated Communities from July 1, 2025, through June 30, 2030.

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13. "AMV Net Value", as shown on Table 1, shall refer to the net dollar amount calculated after the Processing Fee Adjustment and the Tonnage Fee Adjustment have been subtracted from the Average Market Value (AMV).

TABLE 1: Average Market Value (AMV) - Dual Stream – Payment/Charge				
Recovered Material	Recovered Material Index	Recovered Material Composition/Ton	Index Value/Ton	AMV Value
OCC (Cardboard)	PS 11 Corrugated Containers	21.17%	\$	\$
Mixed Paper #54	PS 54 Mixed Paper (MP)	39.75%	\$	\$
Aluminum Beverage Cans	SMP for Aluminum Cans (Sorted, Baled, cents/lb. picked up) minus \$.25 per pound	0.83%	\$	\$
Steel/Tin Cans	50% of SMP Steel Cans (Sorted, Baled, \$/Gross ton, picked up)	3.87%	\$	\$
PET (Plastic #1)	SMP for PET (baled, cents/lb. picked up)	2.15%	\$	\$
Natural HDPE (Plastic #2)	SMP for Natural HDPE (baled, cents/lb. picked up)	1.09%	\$	\$
Colored HDPE (Plastic #2)	SMP for Colored HDPE (baled, cents/lb. picked up)	1.19%	\$	\$
Commingled Plastics, #3-7	Actual Value	7.42%	\$	\$
Glass	Actual Value	17.54%	\$	\$
Residue	Residue Fee	5.00%	\$	\$
		100%	\$	\$
	Average Market Value (AMV)			\$
	Processing Fee Adjustment			\$
	Tonnage Fee Adjustment			\$
	AMV Net Value			\$