

Service Terms for Residential Customers

These terms apply to residential customers who receive waste service under the 1st Choice Waste Services name and do not have a separate signed customer service agreement. These customers are referred to in these terms as “Invoice-to-Invoice Customers.” Your invoice identifies the operating entity that provides and bills for your service.

Responsible party

All waste services are managed, performed, and billed by individual operating subsidiaries of 1st Choice Waste Services, Inc. 1st Choice Waste Services, Inc. itself does not provide waste services or contract for such services. The operating entity providing your waste service is identified on your invoice. Accordingly, all obligations to you, including the obligations to provide quality service and bill you for that service, rest with the operating entity identified on your invoice. Any claims relating to your service may be brought only against that operating entity.

Term, billing, and payment

The term of service for an Invoice-to-Invoice Customer is equivalent to the customer’s billing period. For example, if you are billed quarterly, your term of service is quarterly; if you are billed monthly, your term of service is monthly. Each invoice represents an offer to continue providing waste services for an additional term at the rates specified in that invoice. By paying the invoice, you agree to the terms stated on the invoice. Payment is due to the operating entity identified on your invoice within 10 days after you receive the invoice.

Service changes and rate adjustments

If you request a service modification during any Term, the resulting charges will be reflected on your next invoice for the following Term. The operating entity providing your service reserves the right to change or increase rates, charges, and fees at its discretion upon advance notice to you. Notice will be provided through a change shown on your invoice or in these service terms. By paying an invoice or continuing to receive services after a change to a rate, charge, fee, term, or condition takes effect, you agree to that change.

Rate increases, charges and fees

The types and amounts of charges and fees applicable to your service as of your service start date were disclosed to you at the time of your order. For more information regarding those charges, fees and rate increases, please see below:

- **Environmental Recovery Fee**

The Environmental Recovery Fee (“ERF”) is an enterprise-wide recurring fee calculated as a set percentage of all invoice charges other than taxes. It is not a tax, surcharge, or fee mandated by or remitted to any governmental or regulatory agency. The ERF is intended to help our businesses recover direct and indirect costs associated with operating collection, transfer, landfill, recycling, and landfill gas-to-energy services and facilities nationwide in an environmentally sustainable manner. It also includes an amount designed to achieve an acceptable operating margin. The current ERF is 18%. 1st Choice Waste Services regularly monitors these costs and may change the ERF at its discretion upon advance notice to you as described under “Service changes and rate adjustments.” The ERF and FRF will appear as a combined charge on your invoice.

- **Fuel Recovery Fee**

The Fuel Recovery Fee (“FRF”) is an enterprise-wide recurring fee calculated as a fluctuating percentage of all invoice charges other than the ERF and taxes. It is not a tax, surcharge, or fee mandated by or remitted to any governmental or regulatory agency. The FRF is intended to help our businesses recover direct and indirect fuel, petrochemical, electricity, and compressed-natural-gas costs associated with operating collection, transfer, landfill, and recycling services and facilities nationwide. It also includes an amount designed to achieve an acceptable operating margin. Each monthly FRF rate is determined by cross-referencing [1st Choice Waste Services’ FRF Table](#) with the highest weekly diesel price per gallon published during the 30-day period ending on the 15th of the month in the U.S. Energy Information Administration’s “[On-Highway Diesel Fuel Prices](#)” index. 1st Choice Waste Services regularly monitors those costs and reserves the right to change its method of determining the FRF at its discretion upon advance notice to you as described under “Service changes and rate adjustments.” The FRF and ERF will appear as a combined charge on your invoice.

- **Administrative Fee**

The Administrative Fee (“ADMIN”) is an enterprise-wide recurring fee. It is not a tax, surcharge, or fee mandated by or remitted to any governmental or regulatory agency. The ADMIN is intended to help our businesses recover costs associated with the administrative processes related to account maintenance, invoicing, and payment processing for all customers, and it includes an amount designed to achieve an acceptable operating margin. The ADMIN is currently \$5.95 per invoice but is subject to change at 1st Choice Waste Services’ discretion upon advance notice to you as described under “Service changes and rate adjustments.”

- **Rate Increases**

Throughout the course of providing your service, 1st Choice Waste Services may increase your service rates to address increases in operating costs and to maintain an acceptable operating margin and/or rate of return on its investment in the services provided. The operating entity providing your service reserves the right to determine, in its sole discretion, the amount of all rates and rate increases. Your invoice will provide advance notice of the rates for the Term covered by that invoice as described under “Service changes and rate adjustments.” If you do not accept those rates, you may cancel your service.

- **Container Delivery and Removal Fees**

The operating entity providing your service will provide containers (in some cases for a rental charge) for your convenience with respect to the collection and on-site storage of your solid waste and recyclable materials. Container delivery and removal fees are intended to offset 1st Choice Waste Services' operational costs of sending a truck to deliver your container(s) at the start of your service and removing your container(s) when your service terminates, as well as costs related to cleaning, repairs, and refurbishment of the containers following your use. Container delivery and removal fees are set by each operating entity and are subject to change at that operating entity's discretion upon advance notice to you as described under "Service changes and rate adjustments." Container delivery and removal fees are charged at the operating entity's prevailing rate at the time of delivery or removal for Invoice-to-Invoice Customers. However, neither your container delivery fee nor your container removal fee will exceed \$75 per container.

- **Service Interruption Charge**

If you fail to pay your invoice on or before its due date, the operating entity providing your service reserves the right to suspend your service until you pay all outstanding invoices. It also reserves the right to charge you a service interruption fee. Service interruption fees are intended to mitigate 1st Choice Waste Services' loss of return on container assets in customers' possession, business interruption losses, and costs associated with stopping and restarting service. Service interruption fees are charged at the operating entity's prevailing rate at the time of service interruption for Invoice-to-Invoice Customers. However, your service interruption fee will not exceed \$50.

- **Late Payment Fee**

If you fail to pay your invoice on or before its due date, the operating entity providing your service reserves the right to charge you a flat \$10 late payment fee, subject to applicable law. Late payment fees are intended to help 1st Choice Waste Services recover its costs incurred in managing customers' unpaid accounts.

- **Taxes**

Some services provided by 1st Choice Waste Services (including rental equipment) may be subject to state, local and/or franchise taxes or fees. If applicable, such state, local and/or franchise taxes or fees will be separately itemized on your invoice, collected by the operating entity providing your service and submitted to the appropriate taxing authority and/or franchise authority.

Cancellation

For purposes of this section, a day means a calendar day. A billing cycle runs from the first through the last calendar day of each month. A cancellation request may be submitted by calling or texting (281) 547-4909, calling the telephone number on the front of your invoice, or emailing info@1stchoicewaste.com. Telephone notice is effective when the customer communicates the request to the operating entity or customer support. Notice sent by text message or email is effective when received by the operating entity or customer support.

You may rescind your initial order for service within three calendar days after placing the order without incurring a cancellation charge by using any notice method described above. Any prepaid

charges will be refunded, less amounts attributable to services already rendered. After the three-day rescission period, you may cancel service without a cancellation penalty by providing notice at least 30 calendar days before the end of the next billing cycle. The cancellation will take effect on the last day of that next billing cycle, and the operating entity will remove your waste container or containers on or after the effective date. For example, if your cancellation request is received on September 25, the next billing cycle ends on October 31. Because September 25 is more than 30 calendar days before October 31, the cancellation will take effect on October 31 without a cancellation penalty.

Dispute resolution: agreement to arbitrate and class action waiver

READ THIS PROVISION CAREFULLY AS IT WILL HAVE A SUBSTANTIAL IMPACT ON HOW LEGAL CLAIMS WE HAVE AGAINST EACH OTHER ARE RESOLVED. Except for claims relating to non-payment, any and all other disputes or claims between you and 1st Choice Waste Services LLC. or the operating entity providing your service, whether such claim or dispute arises in contract, tort, fraud, under statutory or common law, or otherwise ("Claim"), will be submitted to mandatory, binding arbitration before the American Arbitration Association ("AAA") in the state of your residence before one arbitrator. The AAA will conduct any arbitration pursuant to this agreement under the Consumer Arbitration Rules in effect at the time the arbitration is commenced. For explanation of those rules, please consult the AAA website at www.ADR.org. The decision of any such arbitrator shall be binding and conclusive, and the arbitrator may not consolidate more than one person's Claims and may not preside over any form of a representative or class proceeding. Instead of arbitration, you may sue our operating entity that provides your service in small claims court if you meet the court's requirements. For any Claim, whether subject to arbitration, brought in small claims court, or otherwise resolved pursuant to these terms and conditions, no party will have the right to participate in a class action in court or arbitration or to join or consolidate a Claim with the claims of any other person.