

## Contract for Purchase of Waste Incinerator

THIS AGREEMENT (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2009 (the "Effective Date") by and between the following parties (hereinafter sometimes individually referred to as a "Party" or collectively as the "Parties"):

**WASTE REDUCTION TECHNOLOGIES, L.L.C.**, a Louisiana limited liability company, whose permanent mailing address is 2222 Chatawa Avenue, Baton Rouge, Louisiana 70815 herein appearing through and represented by Riley Hagan, III, its Manager, (hereinafter referred to as "WRT"); and

**THE CITY OF JONESBORO, ARKANSAS**, whose permanent mailing address is 515 W. Washington Avenue, Jonesboro, AR, herein appearing through and represented by Harrold Perrin, its Mayor, (hereinafter referred to as "JONESBORO");

### WITNESSETH

**Whereas**, WRT is in the business of manufacturing, designing, selling and installing waste incinerator products and equipment,

**Whereas**, JONESBORO is in the business of operating an incinerator for the processing of combustible waste materials, and

**Whereas**, JONESBORO desires to purchase and acquire an incinerator from WRT,

**NOW THEREFORE**, in consideration of the premises and the mutual covenants and obligation of the Parties herein set forth it is agreed by WRT and JONESBORO as follows:

#### Article One: Obligations of WRT

1.1 WRT agrees to undertake the following specific obligations and all other acts reasonably required to perform the following:

- a) WRT shall design, assemble, fabricate, install and construct a suitable incinerator at JONESBORO's location within 120 calendar days of the execution of this agreement.

- b) WRT shall provide operating manuals, instruction and adequate training for the proper operation and maintenance of the incinerator.

**Article Two: Obligations of JONESBORO**

2.1 JONESBORO agrees to undertake the following specific obligations and all other acts reasonably required to fulfill the listed obligations:

- a) JONESBORO agrees to provide electric service access and access to any other utilities necessary for the operation of the incinerator.
- b) JONESBORO agrees to provide an acceptable site.
- c) The Purchase Price for the incinerator is \$450,000.00, which Purchase Price is due and owed by JONESBORO to WRT upon JONESBORO's execution and delivery of this signed Agreement. JONESBORO shall pay to WRT the Purchase Price by wire transfer in the following installments: 1) \$150,000.00 upon execution of this Agreement; 2) \$150,000 upon substantial completion of the incinerator at WRT's plant; and 3) \$150,000.00 upon installation and final written acceptance of the incinerator by the Manager(s) of JONESBORO. Final written acceptance shall not be unreasonably delayed or withheld, and any commercial operation of the incinerator shall constitute written acceptance.

JONESBORO and WRT acknowledge that WRT currently has one unit in stock, subject to prior sale. Should JONESBORO wish to acquire this unit, payments #1 and #2 above will be combined and together considered the first payment for all purposes, including as referenced in Section 3.10(a), due and payable upon execution of this Agreement.

- d) JONESBORO shall obtain (with WRT's assistance) all necessary federal, state and local permits, governmental certifications and approvals for the operation of the incinerator and shall operate the incinerator in accordance with all applicable laws and regulations.
- e) Provided however that any obligations for payment and performance under the terms of this agreement are subject to Jonesboro obtaining necessary federal, state and local permits as referenced in (d) above. Further any site preparation work including pouring concrete slab shall be WRT's expense in the event permits are not obtained.

**Article Three: General Provisions**

3.1 Any notice to be given under this Agreement by WRT to JONESBORO or by JONESBORO to WRT shall be considered as duly given if made in writing, addressed to the other Party and mailed by registered or certified mail, postage prepaid, to the address of the other Party as first hereinabove set forth, or to such address of WRT as WRT may from time to time designate in writing, or to such address of JONESBORO as JONESBORO may from time to time designate in writing.

3.2 Unless the context otherwise requires, when used herein the singular includes the plural, and vice versa, and the masculine includes the feminine and neuter, and vice versa.

3.3 Except as otherwise provided herein, this Agreement is binding upon and inures to the benefit of the parties hereto, their successors and assigns.

3.4 Captions are inserted for convenience only and shall not be given any legal effect. Any reference to a designated "Subsection," "Section" or "Article" is to the subsection, section or article of this Agreement so designated.

3.5 This Agreement is declared to be an Arkansas contract, and all of the terms thereof shall be construed according to the laws of the State of Arkansas.

3.6 This Agreement may be signed in any number of counterparts with the same effect as if the signatures were on the same instrument. This Agreement shall not be binding until it is signed by all parties.

3.7 It is intended that each section of this Agreement shall be viewed as separate and divisible, and, in the event any section of this Agreement or portion thereof shall be held or be invalid or unenforceable, the remainder of the section and the remaining sections shall continue to be in full force and effect.

3.8 It is specifically understood and agreed to by the parties hereto that this Agreement constitutes the entire Agreement and understanding between the parties hereto and that there have been no representations, warranties, covenants or conditions made by any Party except for those specified and contained in this Agreement. Further, the parties agree that this Agreement cannot be changed, modified, altered or terminated except in writing signed by all parties.

3.9 Each of the parties hereto specifically warrants and acknowledges that he or it has read fully this entire Agreement and understands and agrees to each provision contained herein.

3.10 In the event either Party to this agreement believes the other Party has materially breached any terms and conditions of this agreement, then the non-breaching Party shall provide the breaching Party with written notice of breach and an opportunity to cure. In the event the breach is not cured within ten days, the non-breaching Party may terminate this agreement for default and seek any and all available remedies and damages through arbitration against the breaching Party.

- a) First Payment Default: There is no cure period for the initial payment set forth in Section 2.1(c)(1), and this Agreement is of no force and effect unless the initial payment is received contemporaneously with the executed Agreement.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement in multiple counterparts, each of which shall have the force and effect of an original, in the presence of

the undersigned competent witnesses on the date set forth below their names, effective as of the Effective Date

**WITNESSES:**

\_\_\_\_\_  
\_\_\_\_\_

**Waste Reduction Technologies, LLC**

By: \_\_\_\_\_  
Riley Hagan, III,  
Its Manager

Date: \_\_\_\_\_

**THE CITY OF JONESBORO, ARKANSAS**

By \_\_\_\_\_  
Harold Perrin

ATTEST: \_\_\_\_\_  
Donna Jackson, City Clerk

Date: \_\_\_\_\_