

Appendix A PAYMENT SCHEDULE

This Payment Schedule provides for the contractual terms for net revenue payments from B.F.I. to the CITY as agreed by both the CITY and B.F.I. The terminology and methodology follows generally accepted recycling industry standards, commodity specifications, and pricing protocols unless otherwise noted. The following definitions shall apply to this Payment Schedule.

Commodity – Individual material, including specific industrial grade, as defined by this Agreement (Article 1, Section 2).

Market Indicator – Commodity price indices as per specified recycling industry publication or actual prices paid by specified end-market company.

Market indicator adjustment – Unit price adjustment to published market indicator.

Process Fee – Agreed upon unit fee allocated towards B.F.I.'s cost of processing recyclables.

Floor Price – Minimum market indicator price (after application of any market indicator adjustment) to provide a minimum payment level to the CITY.

Proceeds – Net value of the application of the adjustment to the market indicator, then the higher value of the adjusted indicator or the floor less the processing fee.

ONP – Old Newspapers

OMG – Old Magazines

OCC – Old Corrugated Cardboard

RMP – Residential Mixed Paper

OTD – Old Telephone Directories

Official Board Markets (OBM) – Industry publication containing prices for secondary fiber or recovered paper in the form of the OBM "Yellow Sheet".

American Metal Market (AMM) – Industry publication containing prices for secondary scrap metals.

Waste News – Industry publication containing prices for recyclable materials, including plastics.

Appendix A

Pulp & Paper Week – Industry publication containing prices for secondary fiber or recovered paper.

Appendix A
Payment Schedule
(All numbers are per short ton)

Commodity	Market Indicator	Adjustments	Process Fee	Floor Price	Proceeds
Newspaper -- 50% of tonnage	<i>OBM</i> , ONP #8 high-side, Chicago region, 1 st issue of the month.	Plus \$3/ton	\$30	\$57.50	Higher of Indicator or Floor less Processing
Newspaper -- 50% of tonnage	Stabilized at Floor for Contract Term		\$30	\$73	Floor less Processing
Glass, Clear	Anchor Glass		\$15	\$15	Higher of Indicator or Floor less Processing
Glass, Brown	Anchor Glass		\$15	\$15	Higher of Indicator or Floor less Processing
Glass, Green/Blue	Anchor Glass		\$15	\$15	Higher of Indicator or Floor less Processing
Aluminum 50% of tonnage	<i>Aluminum American Metal Market (AMM)</i> , 1 st issue of the month ¹	Less \$0.02 per pound AMM aluminum market indicator.	\$33	\$875	Higher of Indicator or Floor less Processing
Aluminum 50% of tonnage	"American Metal Market (AMM) * stabilized at first May, 2004 publication	Less \$0.02 per pound AMM aluminum market indicator.	\$33	TBD	American Metal Market (AMM) * stabilized at first May, 2004 publication less processing fee
Steel	<i>AMM</i> , 1 st issue of the month ²	Less \$50 per ton AMM market indicator.	\$30	\$55	Higher of Indicator or Floor less Processing
Plastics	<i>Waste News</i> , 1 st issue of	70% of low side Chicago, region	\$0	\$50	Higher of Indicator or

**Appendix A
Payment Schedule
(All numbers are per short ton)**

Commodity	Market Indicator	Adjustments	Process Fee	Floor Price	Proceeds
	the month, Chicago Region.	for HDPE & PET based on this formula: 50% PET, 25% Natural HDPE, 25% Colored HDPE.			Floor less Processing
OMG	<i>Pulp & Paper Week</i> , Magazines, high side, Chicago		\$30	\$45	Higher of Indicator or Floor less Processing
OCC	<i>OBM</i> High		\$30	\$55	Higher of Indicator or Floor less Processing
RMP	<i>OBM</i> Low, Mix Paper #1		\$30	\$35	Higher of Indicator or Floor less Processing
OTD	\$30/ton		\$33	\$45	\$20/ton

¹*Aluminum American Metal Market (AMM)* – Low side nonferrous Scrap Prices: Scrap metals, Domestic aluminum producers, Buying prices for processed used aluminum cans in carload lots, f.o.b. shipping point, Used beverage can scrap.

²*AMM* - Scrap Iron & Steel Prices, Consumer buying prices, Clean used densified cans, Chicago.

Examples:

1. Adjusted Market Price Above Floor Price

\$90.00 Market Indicator
 + 3.00 Market Adjustor
 \$93.00 Adjusted Market Indicator
 - \$30.00 Processing Fee
\$63.00 Net Proceeds to City

2. Adjusted Market Price Below floor Price

\$50.00 Market Indicator
 + \$ 3.00 Market Adjustor
 \$53.00 Adjusted Market Indicator
 \$57.50 Floor Price Superseeds Market Indicator
 - \$30.00 Processing Fee
\$27.50 Net Proceeds to City