

Recycled Paper

Purchase Agreement per Resolution SA-1995

Whereas The Davey Company, for its Paper Mill in Downingtown Pa., wishes to secure a continuous flow of uncontaminated, unsorted waste paper, magazines, junk mail, newspaper, books of all types, and used corrugated containers and,

Whereas Honey Brook Township wishes to expand its paper recycling program to include all types and grades of paper products and,

Whereas Honey Brook Township wishes to secure a continuous and suitable outlet for all the recyclable waste paper items collected from its recycling operations and,

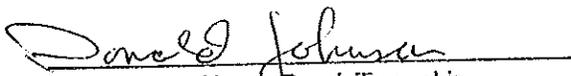
Whereas both parties acknowledge the inherent importance of recycling and the role they can play and,

Whereas both parties recognize the price volatility in the waste paper market and seek to fairly share in the market swings,

They have mutually resolved to enter into the following contract:

- I. Honey Brook Township agrees to sell to the Davey Company's Mill in Downingtown Pa. all of its collected uncontaminated, unsorted, recyclable mixed paper products. The wastepaper shall be placed in containers supplied and paid for by The Davey Company.
- II. The Davey Company agrees to purchase all the recyclable paper products collected by Honey Brook Township at the terms set forth below.
- III. The Davey Company will be responsible for all transportation charges. The filled containers will be removed and replaced in a timely manner upon notification by Honey Brook Township to The Davey Company or its designee.
- IV. This contract will be in effect from the date of approval for a period of two years and may be mutually renewed thereafter for periods of one year.
- V. The price per ton shall be the greater of \$20 per ton or 50% of the Davey Company's primary brokered, baled waste supplier for all tons in excess of 5 tons received at the Davey Mill per calendar month. The price shall be reviewed at the end of each calendar quarter for the following quarter. The March-June 1995 price is \$50 per ton.
- VI. The Davey Company shall supply a weigh ticket for each load delivered showing gross, tare and net weight (adjustments may be made for excessively wet or contaminated loads).
- VII. The Davey Company shall remit payment monthly, as required by Item V. above, by the 20th of the following month.

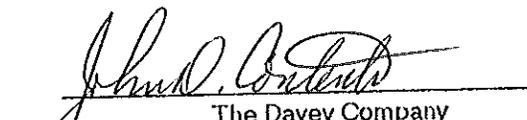
The above contract, representing the full intent of both parties, is hereby agreed to as witnessed below by the signatures of the authorized representatives of Honey Brook Township and The Davey Co.



Honey Brook Township

3/27/95

Date



The Davey Company

4/3/95

Date