

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into as of this 27th day of December, 2023, (the “Effective Date”), by and between Delaware Recyclable Products, Inc. (“DRPI”) and the Delaware Department of Natural Resources and Environmental Control (“DNREC”) (collectively the “Parties”) to resolve certain matters associated with DRPI’s operations at its industrial waste landfill located at 246 Marsh Lane in New Castle, Delaware (the “Facility” or “Landfill”).

WHEREAS, DRPI owns and operates the Facility;

WHEREAS, on June 21, 2023, the Secretary of DNREC issued to DRPI a Notice of Administrative Penalty Assessment and Secretary’s Order No. 2023-A-0013 (“DAQ Order”) and a Notice of Administrative Penalty Assessment and Secretary’s Order No. 2023-WH-0014 (“WHS Order” and collectively, “Secretary’s Orders”), alleging that, on specified dates between July 31, 2018, and January 26, 2023, DRPI’s operations at the Facility did not fully comply with certain statutory; regulatory and DAQ and WHS – Solid Waste permit-based standards (“Compliance Matters”);

WHEREAS, the DAQ Order includes an administrative penalty assessment of \$575,440 and the WHS Order includes an administrative penalty assessment of \$34,020 and;

WHEREAS, in response to and pursuant to the terms of the Secretary’s Orders, DRPI filed with the Environmental Appeals Board for the State of Delaware (the “EAB”), appeals of the Secretary’s Orders, contesting the allegations of noncompliance and the penalty assessments (the “EAB Appeals”);

WHEREAS, the Parties have agreed that settlement of the matters addressed by this Agreement is in the best interest of the Parties, and that entry of this Agreement is the most appropriate means of resolving the matters addressed herein.

NOW THEREFORE, it is hereby stipulated and agreed as follows:

I. APPLICATION AND SCOPE

1. The provisions of this Agreement shall apply to and be binding upon both DNREC and DRPI, and their respective officers, employees, agents, successors, and assigns as it pertains to resolution of the Secretary's Orders for the Facility.

II. ADMINISTRATIVE PENALTY AND COST RECOVERY

2. DRPI shall pay to DNREC an administrative penalty of \$234,020 (the "Administrative Penalty").

3. DRPI shall pay to DNREC cost recovery in the amount of \$7,841.23 (the "Cost Recovery").

4. Within ninety (30) days of the Effective Date of this Agreement, DRPI shall submit to DNREC the Administrative Penalty and Cost Recovery by two, separate corporate checks, both payable to the State of Delaware, and mailed to the following address:

Leslie Reese  
Department of Natural Resources and Environmental Control  
Office of the Secretary  
89 Kings Highway  
Dover DE 19901

III. ENVIRONMENTAL IMPROVEMENT PROJECTS

5. DRPI shall complete the Environmental Improvement Projects ("EIPs") set forth in this Section and/or any Appendices to this Agreement.

6. DRPI shall pay \$25,000 to DNREC, by corporate check and mailed to DNREC at the address set forth in paragraph 4 to fund forecasting services.

7. DRPI shall pay \$50,000 to DNREC, by corporate check and mailed to DNREC at the address set forth in paragraph 4 to fund the Tree for Every Delawarean Initiative.

8. DRPI shall expend a minimum of \$25,000 to deploy a minimum of two Purple Air (or equivalent) particulate matter monitors around DRPI's facility, in locations approved by DNREC. DRPI shall ensure the locations are supported by electric and wi-fi services. DRPI shall also ensure that the data from these devices is publicly available on the Purple Air and EPA's Air Now websites. DRPI shall submit to DNREC an accounting of funds expended every six months until the minimum expenditure of \$25,000 has been met.

#### IV. EFFECT OF SETTLEMENT

9. DRPI's satisfaction of the Administrative Penalty and Cost Recovery payments and EIP obligations under Sections II and III shall resolve all civil and administrative liability of DRPI to DNREC for the violations asserted by DNREC against DRPI in the Secretary's Orders.

10. DRPI's liability for these matters is resolved without any admission as to any matter of fact or law.

#### V. GENERAL PROVISIONS

11. This Agreement shall be governed by, and interpreted under, the laws of the State of Delaware.

12. This Agreement is not a permit. Compliance with its terms does not guarantee compliance with any applicable federal, state, or local law or regulation. Nothing in this Agreement shall be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit.

13. Nothing in this Agreement shall relieve DRPI of its obligation to comply with all applicable federal, state, and local laws and regulations. Other than as expressly provided for in Section IV, nothing contained in this Agreement shall be construed to prevent, alter, or limit DNREC's ability to seek or obtain other remedies or sanctions available under federal, state, or local statutes or regulations in response to a violation by DRPI of applicable statutes and regulations, nor to limit any defenses otherwise available to IFF including with respect to any such alleged violation.

14. In consideration of the Parties' voluntary resolution through this Agreement of the issues governed by the Secretary's Orders and the EAB Appeals, DRPI shall file with the EAB a notice withdrawing the EAB Appeals no later than 5 days after making the Administrative Penalty and Cost Recovery payments governed by Section II of the Agreement.

15. This Agreement does not limit or affect the rights of DRPI or DNREC against any person or entity not party to this Agreement. This Agreement shall not be considered to create rights in, or grants any cause of action to, any third party not a party to this agreement, nor does it limit the rights of any person or entity not a party to this Agreement against DRPI, except as otherwise provided by law.

16. This Agreement may be modified only by the written consent of DNREC and DRPI.

17. This Agreement is entered into notwithstanding any other agreement between the Parties and constitutes the entire agreement and settlement between the Parties. This Agreement supersedes any provisions of prior agreements, to the extent there is an irreconcilable conflict.

18. To the extent of any irreconcilable conflict between this Agreement and the requirements of federal and/or state law, the requirements of federal and/or state law shall control.

19. DRPI shall not claim in any manner that the EIPs were undertaken voluntarily and instead must acknowledge they were undertaken as a result of this Settlement Agreement to resolve the Compliance Matters.

FOR THE DELAWARE DEPARTMENT OF NATURAL RESOURCES  
AND ENVIRONMENTAL CONTROL

By: 

Date: 12/27/23

Shawn M. Garvin, Secretary  
Delaware Department of Natural Resources  
and Environmental Control

FOR DELAWARE RECYCLABLE PRODUCTS, INC.

By: 

Date: 11/9/23

Scott N. Perin, Director