Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2020
OR
☐ TRANSITION REPORT PURSUANT TO Section 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to .

Commission file number: 001-39120

US ECOLOGY, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**84-2421185** (I.R.S. Employer Identification No.)
101 S. Capitol Blvd., Suite 1000 **Boise, Idaho** (Address of principal executive offices)	**83702** (Zip Code)

Registrant's telephone number, including area code: **(208) 331-8400**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	ECOL	Nasdaq Global Select Market
Warrants to Purchase Common Stock	ECOLW	Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐ Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's voting stock held by non-affiliates on June 30, 2020 was approximately $1.06 billion based on the closing price of $33.88 per share as reported on the Nasdaq Global Select Market System.

At February 22, 2021, there were 31,499,536 shares of the registrant's Common Stock outstanding.

Documents Incorporated by Reference

Listed hereunder are the documents, any portions of which are incorporated by reference and the Parts of this Form 10-K into which such portions are incorporated:

1. The registrant's definitive proxy statement for use in connection with the Annual Meeting of Stockholders to be held on or about May 25, 2021 to be filed within 120 days after the registrant's fiscal year ended December 31, 2020, portions of which are incorporated by reference into Part III of this Form 10-K.

US ECOLOGY, INC.

FORM 10-K

TABLE OF CONTENTS

PART I

Cautionary Statement for Purposes of Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

This annual report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws. Statements that are not historical facts, including statements about the beliefs and expectations of US Ecology, Inc. (the "Company," "US Ecology," "we" or "us), are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words "may," "could," "would," "should," "believe," "expect," "anticipate," "plan," "estimate," "target," "project," "intend" and similar expressions. These statements include, among others, statements regarding our financial and operating results, strategic objectives and means to achieve those objectives, the amount and timing of capital expenditures, repurchases of its stock under approved stock repurchase plans, the amount and timing of interest expense, the likelihood of our success in expanding our business, financing plans, budgets, working capital needs and sources of liquidity.

Forward looking statements are only predictions and are not guarantees of performance. These statements are based on management's beliefs and assumptions, which in turn are based on currently available information. Important assumptions include, among others, those regarding demand for the Company's services, expansion of service offerings geographically or through new or expanded service lines, the timing and cost of planned capital expenditures, competitive conditions and general economic conditions. These assumptions could prove inaccurate. Forward looking statements also involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward looking statement. Many of these factors are beyond our ability to control or predict. Such factors may include developments related to the COVID-19 pandemic, including, but not limited to, the duration and severity of additional measures taken by government authorities and the private sector to limit the spread of COVID-19, the integration of the operations of NRC Group Holdings Corp. ("NRC"), the loss or failure to renew significant contracts, competition in our markets, adverse economic conditions, our compliance with applicable laws and regulations, potential liability in connection with providing oil spill response services and waste disposal services, the effect of existing or future laws and regulations related to greenhouse gases and climate change, the effect of our failure to comply with U.S. or foreign anti-bribery laws, the effect of compliance with laws and regulations, an accident at one of our facilities, incidents arising out of the handling of dangerous substances, our failure to maintain an acceptable safety record, our ability to perform under required contracts, limitations on our available cash flow as a result of our indebtedness, liabilities arising from our participation in multi-employer pension plans, the effect of changes in the method of determining the London Interbank Offered Rate ("LIBOR") or the replacement thereto, risks associated with our international operations, the impact of changes to U.S. tariff and import and export regulations, fluctuations in commodity markets related to our business, a change in NRC's classification as an Oil Spill Removal Organization, cyber security threats, unanticipated changes in tax rules and regulations, the loss of key personnel, a deterioration in our labor relations or labor disputes, our reliance on third-party contractors to provide emergency response services, our access to insurance, surety bonds and other financial assurances, our litigation risk not covered by insurance, the replacement of non-recurring event projects, our ability to permit and contract for timely construction of new or expanded disposal space, renewals of our operating permits or lease agreements with regulatory bodies, our access to cost-effective transportation services, lawsuits, our implementation of new technologies, fluctuations in foreign currency markets and foreign affairs, our integration of acquired businesses, our ability to pay dividends or repurchase stock, anti-takeover regulations, stock market volatility, the failure of the warrants to be in the money or their expiration worthless and risks related to our compliance with maritime regulations (including the Jones Act).

Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission (the "SEC"), we are under no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on our forward-looking statements. Although we believe that the expectations reflected in forward-looking statements are reasonable, we cannot guarantee future results or performance. ***Before you invest in our common stock, you should be aware that the occurrence of the events described in the "Risk Factors" section in this report could harm our business, prospects, operating results and financial condition.***

Investors should also be aware that while we do, from time to time, communicate with securities analysts, it is against our policy to disclose to them any material non-public information or other confidential commercial information. Accordingly, stockholders should not assume that we agree with any statement or report issued by any analyst irrespective of the content of the statement or report. Furthermore, we have a policy against issuing or confirming financial forecasts or projections issued by others. Thus, to the extent that reports issued by securities analysts contain any projections, forecasts or opinions, such reports are not the responsibility of US Ecology, Inc.

ITEM 1. BUSINESS

General

The table below contains definitions that are used throughout this Annual Report on Form 10-K.

Term	Meaning
US Ecology, the Company, "we," "our," "us"	US Ecology, Inc., and its subsidiaries
AEA	Atomic Energy Act of 1954, as amended
CEPA	Canadian Environmental Protection Act (1999)
CERCLA or "Superfund"	Comprehensive Environmental Response, Compensation and Liability Act of 1980
CWA	Clean Water Act of 1977
LARM	Low-activity radioactive material exempt from federal Atomic Energy Act regulation for disposal
LLRW	Low-level radioactive waste regulated under the federal Atomic Energy Act for disposal
NORM/NARM	Naturally occurring and accelerator produced radioactive material
NPDES	National Pollutant Discharge Elimination System
OPA-90	The Oil Pollution Act of 1990
OSRO	Oil Spill Removal Organization
PCBs	Polychlorinated biphenyls
Predecessor US Ecology	US Ecology Holdings, Inc. (f/k/a US Ecology, Inc.), the predecessor to US Ecology
QEQA	Québec Environmental Quality Act
RCRA	Resource Conservation and Recovery Act of 1976
RRC	Railroad Commission of Texas
TSCA	Toxic Substances Control Act of 1976
TSDF	Treatment, Storage and Disposal Facility
USACE	U.S. Army Corps of Engineers
USCG	U.S. Coast Guard
USEPA	U.S. Environmental Protection Agency
USNRC	U.S. Nuclear Regulatory Commission
WUTC	Washington Utilities and Transportation Commission

US Ecology is a leading provider of environmental services to commercial and governmental entities. The Company addresses the complex waste management and response needs of its customers, offering treatment, disposal and recycling of hazardous, non-hazardous and radioactive waste, leading emergency response and standby services, and a wide range of complementary field services. US Ecology's focus on safety, environmental compliance and best-in-class customer service enables us to effectively meet the needs of our customers and to build long-lasting relationships. US Ecology and its predecessor companies have been in business for more than 65 years. As of December 31, 2020, we employed approximately 3,600 people.

Predecessor US Ecology was incorporated as a Delaware corporation in March 1987 as American Ecology Corporation. On February 22, 2010, Predecessor US Ecology changed its name from American Ecology Corporation to US Ecology, Inc. On November 1, 2019, in connection with the Company's acquisition of NRC (the "NRC Merger") pursuant

to that certain Agreement and Plan of Merger, dated June 23, 2019 (the "NRC Merger Agreement"), by and among the Company, NRC, Predecessor US Ecology, Rooster Merger Sub, Inc. and ECOL Merger Sub, Inc., a new parent entity of US Ecology completed a merger transaction with Predecessor US Ecology, became the successor to Predecessor US Ecology and changed its name to "US Ecology, Inc." In connection with the closing of the NRC Merger, Predecessor US Ecology changed its name to "US Ecology Holdings, Inc.," and remains a wholly-owned subsidiary of US Ecology. Our filings with the SEC are posted on our website at www.usecology.com or can be obtained by accessing the SEC's website at www.sec.gov. The information found on our website is not part of this or any other report we file with or furnish to the SEC.

We have a network of fixed facilities and service centers operating primarily in the United States, Canada, the United Kingdom and Mexico. Our fixed facilities include five RCRA subtitle C hazardous waste landfills, three landfills serving waste streams regulated by the RRC and one LLRW landfill. We also have various other TSDF facilities located throughout the United States. These facilities generate revenue from fees charged to transport, recycle, treat and dispose of waste and to perform various field services for our customers.

Effective in the fourth quarter of 2020, we have made changes to the manner in which we manage our business, make operating decisions and assess our performance. The energy waste business that was acquired through the NRC Merger now comprises our Energy Waste segment. Prior to this change, the energy waste business was included in the Waste Solutions segment (formerly "Environmental Services"). Throughout this Annual Report on Form 10-K, all periods presented have been recast to reflect these changes. Under our new structure our operations are managed in three reportable segments reflecting our internal management reporting structure and nature of services offered as follows:

Waste Solutions (formerly "Environmental Services")—This segment provides safe and compliant specialty waste management services including treatment, disposal, beneficial re-use, and recycling of hazardous, non-hazardous, and other specialty waste at Company-owned treatment, storage, and disposal facilities, excluding the services within our Energy Waste segment.

Field Services (formerly "Field & Industrial Services")—This segment provides safe and compliant logistics and response solutions focusing on "in-field' service offerings through our network of 10-day transfer facilities. Our logistics solutions include specialty waste packaging, collection, transportation, and total waste management. Our response solutions include land and marine based emergency response, OSRO standby compliance, remediation, and industrial services. The Field Services segment completes our vertically integrated model and serves to increase waste volumes into our Waste Solutions segment.

Energy Waste—This segment provides safe and compliant energy waste management and critical support services to up-stream oil and gas customers in the Permian and Eagle Ford basins primarily operating in Texas. Services include spill containment and site remediation, equipment cleaning & maintenance services, specialty equipment rental, including tanks, pumps and containment, safety monitoring and management and transportation and disposal. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations.

Waste Solutions Segment

Our Waste Solutions involve the transportation, treatment, recycling and disposal of hazardous, non-hazardous and radioactive wastes, and include physical treatment, recycling, landfill and deep-well injection disposal and wastewater treatment services.

Waste Treatment & Disposal

We recycle, treat and dispose of hazardous and non-hazardous industrial wastes. The wastes handled include substances which are classified as "hazardous" because of their corrosive, ignitable, reactive or toxic properties, and other wastes subject to federal, state and provincial environmental regulation. The wastes we handle come in solid, liquid and sludge form and can be received in a variety of containerized and bulk forms and transported to our facilities by truck and rail.

We operate five permitted hazardous waste treatment, storage and disposal facilities with landfills in Beatty, Nevada; Robstown, Texas; Grand View, Idaho; Belleville, Michigan and Blainville, Québec, Canada. These facilities are used primarily for the disposal of wastes treated at Company-owned onsite and offsite treatment facilities. The United States landfills are regulated under RCRA by the respective states in which they are located and the USEPA. Our onsite treatment facilities specialize in the treatment and disposal of RCRA, TSCA, PCB remediation and certain USNRC-exempt (NORM/NARM, Technologically Enhanced NORM (TENORM)) radioactive waste. Our Canadian landfill is regulated by the Québec Ministry of Environment and authorized under the QEQA to treat and stabilize inorganic hazardous liquid and solid waste and contaminated soils to produce a non-leachable concrete-like material for disposal in the onsite landfill, specializing in processing hard to treat materials, such as cyanides, mercury compounds, strong acids, non-organic oxidizers, lab packs, contaminated debris and batteries.

We operate a commercial LLRW landfill in Richland, Washington that is licensed by the Washington Department of Health through delegated authority of the USNRC. The WUTC sets disposal rates for LLRW. Rates are set at an amount sufficient to cover operating costs and provide us with a reasonable profit. The current rate agreement with the WUTC was extended in 2019 and is effective until December 31, 2025.

As of December 31, 2020, the capacity used in the calculation of the useful economic lives of our six Waste Solutions landfills includes approximately 45.0 million cubic yards of remaining permitted airspace capacity and approximately 18.1 million cubic yards of additional unpermitted airspace capacity included in the footprints of these landfills. We believe it is probable that this unpermitted airspace capacity will be permitted in the future based on our analysis of site conditions, past regulatory approvals on adjacent property, and our interactions with regulators on applicable regulations, although there can be no assurance that any additional unpermitted airspace capacity will be permitted in the future.

We also operate a caprock injection well in Winnie, Texas with full Class 1 and 2 non-hazardous industrial waste disposal capabilities. Utilizing proprietary low-pressure injection technology, the deep-well asset provides the unique ability to efficiently dispose of difficult to treat non-hazardous industrial waste streams, including high metals, high ammonia, high solids, flammable exempt, and leachate. Based on an independent determination of the injection capacity of the caprock formation in which we inject waste and our own estimates of projected injection volumes, we believe the remaining disposal capacity of the formation will be sufficient to meet our disposal needs for the foreseeable future.

We operate seven wastewater treatment facilities located in Detroit, Michigan (2); Canton, Ohio; Harvey, Illinois; York, Pennsylvania; Tulsa, Oklahoma and Vernon, California that offer a range of wastewater treatment technologies. These facilities also have RCRA-permitted storage capabilities where waste may be stored prior to treatment or transferred to another RCRA facility for treatment. We also operate a hazardous and non-hazardous industrial waste treatment, storage, and disposal facility in Tilbury, Ontario, Canada. The facility is permitted by the Ontario Ministry of Environment and specializes in the treatment of non- hazardous hydrocarbon contaminated solids to industrial re-use standards.

We break our Waste Solutions segment treatment and disposal (“T&D”) revenue into two categories, based on the underlying nature of the revenue source: “Base Business” and “Event Business.”

Base Business consists of waste streams from ongoing industrial activities and tends to be reoccurring in nature. Our strategy is to expand our Base Business while securing both short-term and extended-duration Event Business. We define Event Business as non-recurring projects that are expected to equal or exceed 1,000 tons, with Base Business defined as all other business not meeting the definition of Event Business. The duration of Event Business projects can last from a several-week cleanup of a contaminated site to a multiple year cleanup project.

Base Business represented approximately 73% and 78% of disposal revenue (excluding transportation) for the years ended December 31, 2020 and 2019, respectively. Event Business contributed approximately 27% and 22% of disposal revenue (excluding transportation) for the years ended December 31, 2020 and 2019, respectively.

When Base Business covers our fixed overhead costs, a significant portion of disposal revenue generated from Event Business is generally realized as operating income and net income. This strategy takes advantage of the operating leverage inherent to the largely fixed-cost nature of the waste disposal business. Contribution margin is influenced by whether the

waste is directly disposed ("direct disposal") or requires the application of chemical reagents, absorbents or other additives (variable costs) to treat the waste prior to disposal.

A significant portion of our T&D revenue is attributable to discrete Event Business projects which vary widely in size, duration and unit pricing. For the year ended December 31, 2020, approximately 27% of our T&D revenue was derived from Event Business projects. The one-time nature of Event Business, diverse spectrum of waste types received and widely varying unit pricing necessarily creates variability in revenue and earnings. This variability may be influenced by general and industry-specific economic conditions, funding availability, changes in laws and regulations, government enforcement actions or court orders, public controversy, litigation, weather, commercial real estate, closed military bases and other project timing, government appropriation and funding cycles and other factors. The types and amounts of Base Business waste received also vary quarter to quarter, sometimes significantly, but are generally more predictable than Event Business.

The types of waste received, also referred to as "service mix," can produce significant quarter-to-quarter and year-to-year variations in revenue, average selling price, gross profit, gross margin, operating profit and net income for both Base Business and Event Business.

Recycling Services

We operate recycling technologies designed to reclaim valuable commodities from hazardous waste, including oil-bearing waste, metal-bearing waste, batteries, electronics, airport deicing fluid and other solvent-based wastes for industrial clients. The recycling and reclamation process involves the treatment of wastes using various recovery methods to effectively remove contaminants from the original material to restore its usefulness and to reduce the volume of waste requiring disposal.

We offer full-service storm water management and propylene glycol recovery at major airports. Recovered fluids are transported to our RCRA Part B and CWT permitted chemical recycling facility where they are recycled into a greater than 99% pure material that is sold to industrial users.

We also operate a thermal desorption unit at our Robstown, Texas facility that recovers oil and metal bearing catalyst from refinery and other organic and oil-based waste. The recycled oil and recycled catalyst are sold to third parties.

Transportation

For waste transported by rail from locations distant from our facilities, transportation-related revenue can vary significantly and can account for as significant portion of total project revenue. While bundling transportation and disposal services may reduce overall gross profit as a percentage of total revenue ("gross margin"), this value-added service has allowed us to win multiple projects that we believe we could not have otherwise competed for successfully. Our Company-owned fleet of gondola railcars, which is periodically supplemented with railcars obtained under operating leases, has reduced our transportation expenses by largely eliminating reliance on more costly short-term rentals. These Company-owned railcars also help us to win business during times of demand-driven railcar scarcity. We also utilize a variety of specially designed and constructed Company-owned tanker trucks and trailers as well as various third-party transporters to support this activity. Further, to maximize utilization of our railcar fleet, we periodically deploy available railcars to transport waste from cleanup sites to disposal facilities operated by other companies. Such transportation services may also be bundled with logistics and field services support work.

Field Services Segment

Our Field Services include a wide range of specialty and total waste management services provided to refineries, chemical plants, steel and automotive plants, and other government, commercial and industrial facilities either on-site or at our network of facilities located throughout the United States. Specialty services include industrial cleaning and maintenance, remediation, lab pack, transportation and emergency response. Our specialty and total waste management services are organized into service lines including Emergency Response, Standby Services, Small Quantity Generation, Remediation Services, Total Waste Management, Transfer and Processing, and Industrial Services.

Emergency Response

Our primary emergency response offerings include spill response, waste analysis and treatment and disposal planning. We also offer remediation, product transfers, spill contingency planning and yearly service agreements with first responder status. Trained, experienced professionals operate the Company's emergency response service 24 hours per day, seven days per week.

Standby Services

We provide government-mandated, commercial standby oil spill compliance solutions to companies that store, transport, produce or handle petroleum and certain nonpetroleum oils on or near U.S. waters. Our standby services customers pay annual retainer fees under long-term or evergreen contracts for access to our regulatory certifications, specialized assets and highly trained personnel, who are on call 24 hours per day, seven days per week to respond to marine-based oil spill and hazardous materials emergencies.

Small Quantity Generation

Our small quantity generation service offerings consist of retail services, laboratory packing, less than truckload ("LTL"), and household hazardous waste ("HHW") collection. Retail services, laboratory packing, LTL and HHW are full-service waste characterization, packaging, collection and transportation programs. Services are provided to small, medium and large industrial and commercial customers. These programs are built on our network of service centers, employ highly trained staff and provide a high level of service to the customer. As an integral part of our services, we operate a network of service centers that characterize, package and collect hazardous and non-hazardous wastes from customers and transport such wastes to and between our facilities for treatment or bulking for shipment to final disposal locations. Customers typically accumulate wastes in containers, such as 55 gallon drums, bulk storage tanks or 20 cubic yard roll-off containers. We utilize a variety of specially designed and constructed tank trucks and semi-trailers as well as third-party transporters, including railroads. Depending on customer needs and competitive economics, transportation services may be offered at or near our cost to help secure new business.

Remediation Services

Our remediation service offerings include project management, RCRA and TSCA closures, excavations, wastewater management, building decontamination, landfill capping and site remediation.

Total Waste Management ("TWM")

Through our TWM programs, customers outsource a portion of their sustainability programs to us, allowing us to organize and coordinate their waste management disposal activities and environmental compliance.

Transfer and Processing

Our transfer and processing stations stage and consolidate non-bulk loads of hazardous, non-hazardous and universal waste into full loads for more efficient shipment to Company-owned or third-party treatment and disposal facilities. This allows us to offer a broader geographic presence without having a dedicated, Company-owned treatment or disposal facility in the region.

Industrial Services

Our primary industrial service offerings include industrial cleaning and maintenance for refineries, chemical plants, steel and automotive plants, as well as tank cleaning and temporary storage.

Energy Waste Segment

We own and operate three landfills located in Karnes County, Texas; Pecos County, Texas and Reagan County, Texas that specialize in the disposal of drill cuttings, drilling muds and other oil field related waste streams regulated by the RRC. In addition, we own property in Andrews County, Texas, that is permitted for development as a waste disposal site for similar waste streams. These facilities are supported by a network of related oil field services capabilities including transportation, equipment rental, emergency response and other oil field services work.

As of December 31, 2020, the capacity used in the calculation of the useful economic lives of our three Energy Waste landfills includes approximately 27.5 million cubic yards of remaining permitted airspace capacity.

We also operate five additional domestic biosolid wastewater treatment facilities in Texas. These domestic wastewater treatment operations involve processing domestic wastewater through the use of physical, biological and chemical treatment methods. Our domestic wastewater treatment facilities treat a broad range of domestic wastewaters. Following treatment, the clean water is discharged under a NPDES permit while residual solids are transported to an offsite landfill.

Services include spill containment and site remediation, equipment cleaning & maintenance services, specialty equipment rental, including tanks, pumps and containment, safety monitoring and management and transportation and disposal.

Waste Services Industry

During the 1970s and 1980s, waste services industry growth in the United States was driven by new environmental laws and actions by federal and state agencies to regulate existing hazardous waste management facilities and direct the cleanup of contaminated sites under the federal Superfund law. By the early 1990s, excess hazardous waste management capacity had been constructed by the industry. Over this same period, in order to better manage risk and reduce expenses, many waste generators instituted industrial process changes and other methods to reduce waste production. These factors led to highly competitive market conditions that still apply today.

In the United States, hazardous waste is regulated under the RCRA, which created a cradle-to-grave system governing defined hazardous waste from the point of generation to ultimate disposal. RCRA requires waste generators to distinguish between “hazardous” and “non-hazardous” wastes, and to treat, store and dispose of hazardous waste in accordance with specific regulations. Generally, entities that treat, store, or dispose of hazardous waste must obtain a permit, either from the USEPA or from a state agency to which the USEPA has delegated such authority. Similar regulations and management methods apply to hazardous waste generation in Canada, which is regulated by the Canada Ministry of Environment and delegated to provincial agencies.

Disposal facilities are typically designed to permanently contain the waste and prevent the release of harmful pollutants into the environment. The most common hazardous waste disposal practice is placement in an engineered disposal unit such as a landfill, surface impoundment or deep-well injection. RCRA’s hazardous waste permitting program establishes specific requirements that must be followed when managing those wastes.

In the United States, waste intrinsically derived from primary field operations associated with the exploration, development, or production of crude oil and natural gas are exempt from regulation under RCRA Subtitle C. The RCRA Subtitle C exemption, however, does not preclude these wastes from control under state regulations, under the less stringent RCRA Subtitle D solid waste regulations, or under other federal regulations. Our landfills that support this industry are regulated by the RRC. Similar to RCRA-regulated landfills, our RRC-regulated landfills are engineered using state of the art design and constructed to permanently contain the waste and prevent the release of harmful pollutants into the environment.

OPA-90, a regulatory framework for the protection of the environment from oil spills following the 1989 Exxon Valdez spill, also imposes obligations on operators and owners of facilities, such as refineries, pipelines and E&P platforms and requires them to have a USCG compliant spill response plan.

We believe that a baseline demand for hazardous and non-hazardous waste services will continue into the future with fluctuations driven by general and industry-specific economic conditions, identification and prioritization of new cleanup needs, cleanup project schedules, funding availability, regulatory changes and other public policy decisions. We will also continue to advance plans and business lines that promote sustainable recycling technologies and expect the recycling portion of our business to displace some of our base disposal services over time. We further believe that the ability to deliver specialized niche services while aggressively competing for large volume cleanup projects and non-niche commodity business opportunities differentiates successful from less successful companies. We seek to control variable costs, expand service lines, increase waste throughput efficiency, employ innovative treatment techniques, provide complementary transportation and logistics services, build market share and increase profitability.

Our Richland, Washington disposal facility, serving the Northwest and Rocky Mountain LLRW Compacts, is one of three operating Compact disposal facilities in the United States. While our Washington disposal facility has substantial unused capacity, it can only accept LLRW from the 11 western states comprising the two Compacts served. The Barnwell, South Carolina site, operated by Energy Solutions, Inc. ("Energy Solutions"), exclusively serves the three-state Atlantic Compact. A third LLRW disposal facility, licensed by Waste Control Specialists, LLC and located near Andrews, Texas serves the two-state Texas Compact and approved out-of-compact waste generators. Class A LLRW from states outside the Northwest Compact region may also be disposed at the commercial disposal site in Clive, Utah, also operated by Energy Solutions.

Increases in pricing at AEA licensed LLRW disposal facilities heightened demand for more cost-effective disposal options for soil, debris, consumer products, industrial wastes and other materials containing LARM, including "mixed wastes," exhibiting both hazardous and radioactive properties. In addition to commercial demand, a substantial amount of LARM is generated by government cleanup projects. The USNRC, USEPA and USACE have authorized the use of hazardous waste disposal facilities to dispose of certain LARM, encouraging expansion of this compliant, cost-effective alternative. We have been successful at expanding our permits at four of our RCRA hazardous waste facilities to allow acceptance of additional LARM wastes.

Industrial Services Industry

The industrial services industry is highly fragmented with thousands of small companies performing a variety of cleaning, maintenance and other services to industrial based companies such as refineries, chemical plants and steel and automotive plants. We believe customers increasingly desire to shift high fixed costs to lower variable costs by outsourcing waste management and industrial services. Some companies, such as power generation plants, petroleum refineries and chemical processors, are required to perform specialized "turnaround" maintenance only once or twice per year, making it impractical and cost-prohibitive to purchase expensive, specialized equipment, comply with complex permits and employ full-time specialized technicians required to perform those services. Similarly, the regulatory requirements of characterizing, manifesting, transporting and properly disposing of waste has led many companies to outsource this function to specialists. Our network of service centers and treatment, recycling and storage facilities provides a national footprint allowing us to serve these customers, while at the same time internalizing the waste to our own facilities.

Industrial services generally have low barriers to entry and customers are frequently won based on quality of service, reputation, health and safety record, logistics and price. This low barrier to entry has fostered a fragmented and competitive market place.

Emergency Response and Standby Services Industry

We provide emergency spill response services and marine-based standby oil spill compliance (the "standby services") in the United States, Mexico, the United Kingdom and other international locations.

Our emergency spill response services are designed to address both large-scale and small-scale response events. Large-scale response services typically result from natural disasters such as hurricanes, fires, floods and earthquakes as well as large industrial accidents such as pipeline spills, industrial fires, rail car derailments and marine vessel accidents. These large emergency response events are inherently difficult to predict, and when they occur can result in a significant revenue opportunity. Our small-scale emergency response services address smaller recurring industrial and transportation accidents or discharges. With the combination of our nationwide footprint, our vast service capabilities and specialized asset base, we believe the demand for these emergency response services will increase in line with overall industrial activity. We respond to multiple small-scale spill events per day, every day, across the United States.

Our standby services customers pay annual retainer fees under long-term or evergreen contracts for access to regulatory certifications, specialized assets and highly trained personnel, who are on call 24 hours per day, seven days per week to respond to an oil spill or other hazardous materials emergency response events.

OPA-90 mandates certain oil spill response coverage for companies that store, transport, produce or handle petroleum and certain non-petroleum oils on or near U.S. ports, harbors and other waters.

Our standby services business is the only national commercial OSRO in the United States and the only commercial provider of standby services that satisfies the requirements of both OPA-90 and other federal, state and municipal requirements. In addition, we hold the highest oil spill contractor classification offered by the USCG. We maintain an installed base of specialized oil spill response equipment and highly trained personnel around the United States to ensure rapid response capabilities. We provide government-mandated standby compliance solutions to more than 2,000 customers that cover approximately 20,000 assets, including tank and non-tank vessels, barges, petrochemical facilities, pipelines, refineries and other assets.

Additionally, our internal standby services business is augmented by our network of over 200 independent contractors throughout the United States to ensure expedient response times in any location. These independent contractors provide both personnel and, if required, equipment, to meet the immediate needs of our customers. Contractors must meet stringent requirements to become part of our network. Our contractors are paid when an event occurs for work that is actually completed and, as such, do not receive any of our annual standby retainer payments.

Our standby services business is a recurring, retainer-based business model that provides opportunity for incremental marine spill response revenue. To the extent a standby services retainer customer has a spill incident, we coordinate and manage the spill response by leveraging both internal resources and our independent contractor network. We generate incremental revenue with respect to services provided through internal resources and independent contractors on all response events, in addition to the annual retainer payments we collect each year.

Our standby services contribution margin is very high in light of the expansive infrastructure that is already in place. These services are government-mandated for our customers and serve as a low-cost yet invaluable “insurance policy” in the event of an incident. High barriers to entry, driven by the high cost of infrastructure necessary to achieve economies of scale, the high cost of failure, and regulatory certification requirements, have resulted in minimal new market competitors since market inception.

Mexico represents a growth opportunity for us. The recently privatized Mexican oil and gas market has resulted in the Mexican government actively auctioning off blocks for offshore exploration to leading global oil companies. Although OPA-90 only applies to United States territories, the Mexican government and many leading global and U.S.-based companies seek OSRO-type coverage similar to that required in the United States and other countries. Our primary standby services competitor is currently unable to operate outside of U.S. waters, which leaves us well-positioned to be the provider of choice for these services internationally. This advantage has helped us become a leading OSRO in Mexico.

Strategy

Our strategy is to capitalize on our difficult-to-replicate combination of treatment, recycling and disposal assets and complementary service lines to provide a full service offering to customers and increase market share in the diverse markets we serve. We believe our focus on sustainability, workforce safety and protecting the environment, as well as our

passionate commitment to customer service, provides for a long-term sustainable business model. In addition to organic growth initiatives, we actively pursue acquisition opportunities to expand our geographic reach, service lines and customer base. The principal elements of our business strategy are to:

Execute Best-in-Class Sustainability and Environmental Compliance Programs.

The cornerstone of our business is providing solutions that help us and our customers protect human health and the environment. In doing so, we pursue best-in-class safety and environmental compliance at US Ecology. Our customers and regulators rely on our expertise when they select us as a vendor or grant us permits and licenses. We deploy significant resources in terms of human capital, information technology, programs and facility investments to achieve safe and compliant operations that protect the environment and all stakeholders. The Company has dedicated professionals who oversee and manage safety and environmental programs including, but not limited to, employee training, internal and independent external audits, incentive programs and the Safety & Health Achievement Recognition Program. Various US Ecology facilities have obtained third-party verification of Environmental Health and Safety programs through the Occupational Safety and Health Administration's ("OSHA") Voluntary Protection Program ("VPP") or ISO 45001 and ISO 14001 accreditation. Senior managers regularly review and discuss environmental and safety results and performance with operational staff, management and the Company's Board of Directors to improve our safety results and focus on regulatory compliance. Sustainability targets are also an important component of our company-wide incentive programs.

Leverage Regulatory Expertise to Expand Permit Capabilities and Broaden Cost-Effective Service Offerings. We have a proven track record of leveraging more than six decades of regulatory experience to broaden our service offerings. Working with customers, we assess market opportunities in relation to existing laws, regulations and permit conditions. Our engineering, operational and regulatory affairs personnel then seek authority to implement innovative processes and technologies and accept additional types of waste by modifying our existing permits or obtaining new permits.

Continue to Build on Our Robust Waste Handling Infrastructure to Increase Revenue from Existing Assets. We believe we have a difficult to replicate set of treatment, recycling and disposal assets in the highly regulated hazardous, non-hazardous and radioactive waste industry. We aim to enhance treatment capabilities at our existing facilities to handle additional waste streams and increase throughput. We also continue to invest in equipment and infrastructure to ensure that we have ample throughput capacity to expand our Event Business while continuing to support our Base Business customers.

Execute on Marketing Initiatives to Grow Organically. Our sales team is focused on high margin, niche wastes that our competitors may not be able to obtain the necessary regulatory authorizations for or handle cost-effectively. We seek to expand into new markets and offer new services allowing us to cross-sell or bundle services and ultimately drive incremental volume into our existing disposal facilities. In our Waste Solutions segment, our strategy is to achieve Base Business at a level that covers our fixed overhead costs and delivers a reasonable profit, which allows the majority of our Event Business revenue to be realized as operating profit. We aim to continue building our Base Business while remaining flexible enough to handle large cleanup events. In our Field Services segment, our strategy is to provide value-added services that generate downstream waste treatment and disposal opportunities for our Waste Solutions segment while expanding service offerings to existing customers.

Deliver Innovative Technological Solutions. We challenge ourselves to identify innovative and technology-driven solutions to solve our customers' waste management challenges. Past examples include leveraging our expertise in developing waste treatment recipes for organic and metals-bearing wastes, utilizing waste as a reagent to treat other wastes, beneficial reuse of select wastes, partnering with an innovative technology provider to deploy thermal desorption technology to recover and recycle oil and metal catalyst from refinery waste, and stabilizing mercury laden waste and other wastes using a patented treatment process.

Pursue a Disciplined Acquisition Strategy to Add Complementary Capabilities. We pursue selective acquisitions to expand our disposal network, customer base and geographic footprint. We have had success achieving this in recent years through our targeted acquisition strategy, acquiring EQ Holdings, Inc. ("EQ") in 2014, Environmental Services Inc. ("ESI") and the Vernon, California based RCRA Part B, liquids and solids waste treatment and storage facility of Evoqua Water Technologies LLC in 2016, ES&H of Dallas, LLC ("ES&H Dallas") and Ecoserv Industrial Disposal, LLC ("Winnie") in

2018, NRC and W.I.S.E. Environmental Solutions Inc. ("US Ecology Sarnia") in 2019 and Impact Environmental Services, Inc. in 2020. The acquisition of NRC allowed us to expand our operations as a leading provider of emergency response and standby services while also providing a network of over 50 locations to leverage our field service capabilities, industrial services and total waste management programs. In addition, the NRC Merger provided us an entry into specialty landfill and waste services supporting upstream oil and gas exploration. We will continue to seek acquisition opportunities to further expand our service offerings across the environmental services value chain while maintaining our commitment to compliance, safety and customer service excellence.

Competitive Strengths

Difficult-to-Replicate Infrastructure. We consider our disposal facilities to be difficult to replicate due to the longstanding regulatory and public policy environment for hazardous waste processing facilities, which includes the generally high cost of obtaining permits, multi-year permitting timeframes, uncertainty of outcome, high initial capital expenditures and the potential for both broad-based and local community opposition to the development of new facilities. We operate five of 20 landfills in the United States and Canada that are permitted to accept RCRA wastes. Our Richland, Washington LLRW facility is one of only three full-service Class A, B, and C disposal facilities in the United States. We also operate three landfills in Texas supporting the oil and gas exploration industry that are constructed to specifications set forth under Subtitle D of RCRA and the RRC, with a fourth location also owned by us and permitted by the RRC, but not yet constructed. Additionally, our marine resource network provides us with priority access to an extensive network of marine assets, and our aerial resource network enables us to coordinate cargo logistics and dispersant services, with priority access to a significant number of helicopters and fixed-wing planes. Our rapid response capabilities and strategically-located facilities enable us to rapidly deploy assets and personnel within 24 hours depending on the proximity of necessary equipment. Replacing or replicating our fleet of vessels and barges utilized by our standby services business would be difficult and costly for potential competitors because our vessels are customized with oil spill recovery equipment and other vessel modifications specifically designed to enhance our effectiveness.

S*pecialized Asset Base and Essential Regulatory Certifications.* We maintain a specialized asset base and essential regulatory certifications to respond to environmental events throughout the globe whenever such events occur. We have a broad fleet of vessels, marine equipment, vehicles, rolling stock and other equipment that requires extensive training and expertise to operate. Replacing or replicating our fleet of vessels and barges utilized by our Field Services segment would be difficult and costly for potential competitors because our vessels are customized with oil spill recovery equipment and other vessel modifications specifically designed to enhance our effectiveness. Federal, state and local legislation and other environmental agencies require numerous certifications and accreditations. These certifications are often cost and time prohibitive to obtain and require expensive multi-step, complex permitting processes. We have decades of experience successfully permitting and maintaining regulatory compliance. Certain of our barges have also been grandfathered into certain regulatory requirements. Certain of our vessels, because they are used exclusively as oil spill response vessels, are exempt from certain regulatory requirements. For example, regulations requiring barges carrying oil to have double hulls generally do not impact our current fleet. Our specialized asset base, essential regulatory certifications and entrenched market position pose a barrier to entry for potential competitors.

Significant Regulatory and Operating Expertise. We operate in a highly regulated marketplace. The permitting process for operating disposal assets in our industry is lengthy and complex, requiring a deep understanding of federal and state hazardous and radioactive waste laws and regulations. We maintain a regulatory compliance and permitting program at our disposal facilities that has allowed us to obtain approvals to expand our service offering in terms of the types, amounts and concentrations of wastes that we are authorized to accept. Our track record of successfully navigating government regulatory and permitting processes has been a consistent competitive advantage.

A Market Leader in Hazardous & Non-Hazardous Waste Treatment and Disposal. We are a leader in the hazardous waste services sector with more than six decades of experience. Our collection of disposal assets and proprietary treatment technologies, combined with our transportation network, provides us with coast-to-coast treatment and disposal capabilities, allowing us to serve a diverse mix of customers and industries.

Comprehensive Waste Services. Our comprehensive waste service offerings allow us to act as a full-service provider to our customers. Our full-service orientation creates incremental revenue growth as customers seek to minimize the number of outside vendors through "one-stop" service providers.

Diverse Markets and Customer Base. In 2020, we serviced more than 8,000 commercial and governmental entities, such as refineries, chemical production facilities, heavy manufacturers, steel mills, oil and gas exploration companies, waste brokers and medical and academic institutions. Our broad range of end-markets gives us exposure to a variety of industrial cycles, lessening the impact of market volatility.

Solid Safety and Compliance Record. Safety and environmental compliance is a cornerstone of US Ecology's business. The Company has dedicated professionals who oversee and manage safety and environmental programs including, but not limited to, employee training, internal and independent external audits, incentive programs and the Safety & Health Achievement Recognition Program. Various US Ecology facilities have obtained third-party verification of Environmental Health and Safety programs through OSHA's VPP or ISO 45001 and ISO 14001 accreditation. Senior managers regularly review and discuss environmental and safety results and performance with operational staff, management and the Company's Board of Directors to improve our safety results and focus on regulatory compliance.

Competition

Our Waste Solutions segment competes with large and small companies in each of the commercial markets we serve. While niche services apply, the radioactive, hazardous and non-hazardous industrial waste management industry is generally very competitive. We believe that our primary hazardous waste and PCB disposal competitors are Clean Harbors, Inc., Heritage Environmental Services and Waste Management, Inc. Other hazardous waste disposal competitors include, but are not limited to, Tradebe, Ross Environmental, Harsco Corporation and Veolia Environmental Services. Our waste disposal competitors serving the Permian and Eagle Ford oil fields include Republic Services, Inc., Waste Management, Inc. and Waste Connections, Inc. We believe that our primary radioactive material disposal competitors are Energy Solutions, Inc. and Waste Control Specialists, Inc. We believe the principal competitive factors applicable to these businesses are:

- price;
- specialized permits and "niche" service offerings;
- customer service;
- operational efficiency and technical expertise;
- comprehensive and bundled services;
- regulatory compliance and worker safety;
- industry reputation and brand name recognition;
- transportation distance; and
- state or province and local community support.

Competition within our Field Services segment varies by locality and type of service rendered, with competition coming from large national and regional service providers and hundreds of privately-owned firms that offer field or industrial services. We believe that our primary field services competitors are Clean Harbors, Inc., Harsco Corporation, Heritage Environmental Services, Tradebe, Veolia Environmental Services and Waste Management, Inc. Each of these competitors is able to provide most if not all of the field services we offer. We believe that our primary standby services competitor is Marine Spill Response Corporation, a not-for-profit USCG-classified OSRO.

We believe that we are competitive in all markets we serve and that we offer a unique mix of services, including niche technologies and services that favorably distinguish us from competitors. We also believe that our strong brand name recognition from six decades of experience, compliance and safety record, customer service reputation and positive relations with regulators and local communities enhance our competitive position. Advantages exist for competitors that (1) are larger in scale, (2) have technology, permits or equipment to handle a broader range of waste, (3) operate in jurisdictions imposing lower disposal fees and/or (4) are located closer to where wastes are generated.

Permits, Licenses and Regulatory Requirements

Obtaining authorization to construct and operate new waste disposal facilities is a lengthy and complex process. We believe we have demonstrated significant expertise in this area over multiple decades. We also believe we possess all permits, licenses and regulatory approvals required to maintain regulatory compliance and operate our facilities and have the specialized expertise required to obtain additional approvals to continue growing our business in the future.

We incur costs and make capital investments to comply with environmental regulations. These regulations require that we operate our facilities in accordance with permit-specific requirements. Most of our facilities are also required to provide financial assurance for closure and post-closure obligations should our facilities cease operations. Both human resource and capital investments are required to maintain compliance with these requirements.

United States Hazardous Waste Regulation

Our hazardous, industrial, non-hazardous and radioactive waste treatment, disposal and handling business is subject to extensive federal and state environmental, health, safety, and transportation laws, regulations, permits and licenses. Local government controls and regulations may also apply. The applicable government regulatory agencies regularly inspect our operations to monitor compliance. Such agencies have authority to enforce compliance through the suspension or revocation of operating licenses and permits and the imposition of civil or criminal penalties in case of violations. We believe that these laws and regulations, as well as the specialized services we provide, contribute to demand and create barriers to new competitors seeking to enter the markets we serve.

RCRA provides a comprehensive framework for regulating hazardous waste transportation, treatment, storage and disposal. RCRA regulation is the responsibility of the USEPA, which may delegate authority to state agencies. Chemical compounds and residues derived from USEPA-listed industrial processes are subject to RCRA standards unless they are delisted through rulemaking. RCRA liability may be imposed for improper waste management or failure to take corrective action for releases of hazardous substances. To the extent wastes are recycled or beneficially reused, regulatory controls and permitting requirements under RCRA diminish. LARM and NORM/NARM may also be managed to varying degrees under RCRA permits, as is authorized for our facilities in Grand View, Idaho, Beatty, Nevada, Belleville, Michigan and Robstown, Texas.

CWA legislation prohibits discharge of pollutants into the waters of the United States without governmental authorization and regulates the discharge of pollutants into surface waters and sewers from a variety of sources, including disposal sites and treatment facilities. The USEPA has promulgated “pretreatment” regulations under the CWA, which establish pretreatment standards for introduction of pollutants into publicly-owned treatment works. In the course of the treatment process, our wastewater treatment facilities generate wastewater that we discharge to publicly-owned treatment works pursuant to permits issued by the appropriate governmental authority. We are required to obtain discharge permits and conduct sampling and monitoring programs.

CERCLA and its amendments impose strict, joint and several liability on owners or operators of facilities where a release of hazardous substances has occurred, on parties who generated hazardous substances released at such facilities and on parties who arranged for the transportation of hazardous substances. Liability under CERCLA may be imposed if improper releases of hazardous substances occur at treatment, storage or disposal sites. Since waste generators, transporters and those who arrange transportation are subject to the same liabilities, we believe these parties are motivated to minimize the number of disposal sites used. In addition, hazardous waste generated during the remediation of CERCLA cleanup projects and transferred offsite must be managed by a treatment and disposal facility authorized by the USEPA to manage CERCLA waste.

TSCA regulates the treatment, storage and disposal of PCBs. U.S. regulation and licensing of PCB wastes is the responsibility of the USEPA. Our Grand View, Idaho and Beatty, Nevada facilities have TSCA treatment, storage and disposal permits. Our Belleville, Michigan facility has a TSCA disposal permit. Our Robstown, Texas facility has a TSCA storage permit and may dispose of PCB-contaminated waste in limited concentrations not requiring a TSCA disposal permit.

The AEA assigns the USNRC regulatory authority over receipt, possession, use and transfer of certain radioactive materials, including disposal. The USNRC has adopted regulations for licensing commercial LLRW disposal and has delegated regulatory authority to certain states including Washington, where our Richland facility is located. The USNRC and U.S. Department of Transportation regulate the transport of radioactive materials. Shippers must comply with both the general requirements for hazardous materials transportation and specific requirements for transporting radioactive materials.

Waste intrinsically derived from primary field operations associated with the exploration, development, or production of crude oil and natural gas is exempt from regulation under RCRA Subtitle C. The RCRA Subtitle C exemption, however, does not preclude these wastes from control under state regulations, under the less stringent RCRA Subtitle D solid waste regulations, or under other federal regulations. Our landfills that support this industry are regulated by the RRC. Similar to RCRA-regulated landfills, our RRC-regulated landfills are engineered using state of the art design and constructed to permanently contain the waste and prevent the release of harmful pollutants into the environment.

The Energy Policy Act of 2005 amended the AEA to classify discrete (i.e. concentrated versus diffuse) NORM/NARM as byproduct material. The law does not apply to interstate Compacts ratified by Congress pursuant to the LLRW Policy Act.

Our transportation operations are regulated by the U.S. Department of Transportation, the Federal Railroad Administration, the Federal Aviation Administration and the USCG, as well as by the regulatory agencies of each state in which we operate or through which our vehicles pass, including but not limited to the RRC.

OPA-90 establishes a regulatory and liability regime for the protection of the environment from oil spills. Enacted by Congress in 1990 after the Exxon Valdez tanker oil spill in Alaska, OPA-90 (1) consolidated the existing federal oil spill laws under one program, (2) expanded the existing liability provisions within the CWA and (3) established new freestanding requirements regarding marine oil spill prevention and response. Under its provisions, all U.S. tank vessels, offshore facilities and certain onshore facilities (including pipelines, refineries and terminals) are required to prepare and submit oil spill response plans to the relevant federal agency. In general, these vessels and facilities are prohibited from handling, storing and transporting oil if they do not have a plan approved by (or submitted to) the appropriate agency. The plans must provide, among other things, details of how the owner or operator of a vessel or facility would respond to a "worst case" scenario spill. While every vessel or facility is not required to have all of the personnel and equipment needed to respond to a "worst case" spill, they each must have a plan and procedures to call upon (typically through a contractual relationship with an OSRO), the necessary equipment and personnel for responding to such a spill within a prescribed timeframe.

In 2004, Congress amended OPA-90 to require that all vessels over 400 gross tons (not just tankers) prepare and submit a vessel response plan, as many non-tank vessels pose the same oil spill risk as small tank vessels due to the comparable volume of oil they have onboard for fuel. In 2013, regulations for non-tank vessels were further tightened, and OPA-90 compliance now requires that non-tank vessel operators contract directly with an OSRO.

The OSRO classification process was developed to facilitate the preparation and review of facility and vessel response plans. The OSRO classification process represents standard guidelines by which the USCG and plan developers can evaluate an OSRO's potential to respond to and recover oil spills of various sizes. OSROs are classified based on the location of response resources and an assessment of the ability to mobilize those resources to the Captain of the Port ("COTP") city or alternate classification city. There are equipment standards and response times specific to each operating area within a COTP zone. Customers that arrange for the services of a USCG-classified OSRO do not have to list their response resources in their response plans. In addition to potential liability under the federal OPA-90, vessel owners may in some instances incur liability on an even more stringent basis under state law in the particular state where the spillage occurred.

Canadian Hazardous Waste Regulation

The Canadian federal government regulates issues of national scope where activities cross provincial boundaries and affect Canada's relations with other nations. The Canadian provinces retain control over environmental matters within their respective boundaries, including primary responsibility for regulation and management of hazardous waste.

The main federal laws governing hazardous waste management are CEPA and the Transportation of Dangerous Goods Act. Environment and Climate Change Canada is the federal agency with responsibility for environmental matters. CEPA charges Environment and Climate Change Canada and Health Canada with the protection of human health and the environment and seeks to control the production, importation and use of substances in Canada and their impact on the environment. The Export and Import of Hazardous Waste Regulations under CEPA govern trans-border movement of hazardous waste and hazardous recyclable materials. These regulations require that anyone proposing to export or import hazardous waste or hazardous recyclable materials or transport them through Canada notify the Minister of the Environment and obtain a permit to do so.

Our Stablex facility is located in Blainville, Québec, Canada and is subject to QEQA. This Act, independently developed by the Province, regulates the generation, characterization, transport, treatment and disposal of hazardous wastes. QEQA also provides for the establishment of waste management facilities which are controlled by the provincial statutes and regulations governing releases to air, groundwater and surface water.

Our Tilbury, Ontario, Canada facility is subject to Regulation 347 of the Ontario Environmental Protection Act ("Regulation 347"). Regulation 347, independently developed by the Province, regulates the collection, storage, transportation, treatment, recovery and disposal of hazardous wastes.

Waste transporters are required to hold a permit to operate under the provincial regulations and are also subject to the requirements of the Federal Transportation of Dangerous Goods law, which requires reporting of quantities and disposition of materials shipped.

A major difference between the United States regulatory regime and that of Canada relates to ownership and liability. Under Canadian federal regulation, ownership changes when waste is transferred to a properly permitted third-party carrier and subsequently to an approved treatment and disposal facility. As a result, the generator is no longer liable for proper handling, treatment or disposal once the waste is transferred. In the United States, joint and several liability is retained by the waste generator as well as the transporter and the treatment and disposal facility.

Maritime Regulations

We own and use in our operations 44 vessels registered under the U.S. flag. Accordingly, we are subject to various U.S. federal, state and local statutes and regulations governing the ownership, operation and maintenance of our vessels. Our U.S.-flag vessels are subject to the jurisdiction of the USCG, the United States Customs and Border Protection and the United States Maritime Administration. We are also subject to international laws and conventions and the local laws of foreign jurisdictions where we operate.

A portion of the operations of our standby services business is conducted in the U.S. coastwise trade. This is a protected market that is subject to U.S. cabotage laws that impose certain restrictions on the ownership and operation of vessels in the U.S. coastwise trade. These laws are principally contained in 46 U.S.C. Chapters 121, 505 and 551 and the related regulations, which are commonly referred to collectively as the "Jones Act." The Jones Act restricts transportation of merchandise by water or by land and water, either directly or via a foreign port, between points in the United States and certain of its island territories. Subject to limited exceptions, the Jones Act requires that vessels engaged in U.S. coastwise trade be owned and operated by U.S. citizens within the meaning of the Jones Act ("U.S. Citizens"), be built in and registered under the laws of the United States and manned by predominantly U.S. Citizen crews.

Under the citizenship provisions of the Jones Act, we would not be permitted to engage in U.S. coastwise trade if more than 25% of any class or series of our outstanding equity was owned by non-U.S. Citizens (within the meaning of the Jones Act). For a corporation engaged in the U.S. coastwise trade to be deemed a U.S. Citizen: (1) the corporation must

be organized under the laws of the United States or of a state, territory or possession thereof, (2) each of the chief executive officer, by whatever title, and the chairman of the board of directors of such corporation must be a U.S. Citizen, (3) no more than a minority of the number of directors of such corporation necessary to constitute a quorum for the transaction of business can be non-U.S. Citizens, (4) at least 75% of the ownership and voting power of each class or series of the shares of the capital stock of such corporation must be owned and controlled by U.S. Citizens, free from any trust or fiduciary obligations in favor of non-U.S. Citizens and (5) there must be no contract or understanding or other means by which more than 25% of the voting power or control of such corporation may be exercised directly or indirectly by or on behalf of non-U.S. Citizens.

Our charter includes provisions (1) limiting the ownership of any class or series of our capital stock by non-U.S. Citizens to 24% (so as to allow a margin of safety under the statutory maximum of 25%), (2) prohibiting the transfer of shares of our capital stock if doing so would cause us to exceed the 24% non-U.S. Citizen ownership threshold (any such shares, the "Excess Shares"), (3) authorizing the redemption of Excess Shares by the Company, (4) suspending the right to vote and to receive dividends and distributions for such Excess Shares, (5) establishing procedures for the redemption of Excess Shares including providing notice and setting the redemption price, (6) authorizing us to make citizenship determinations with respect to the holders of our capital stock, (7) requiring holders (including beneficial holders) of our capital stock to submit information to establish the citizenship of such holder and (8) generally authorizing our Board of Directors to take appropriate action to monitor and maintain compliance with the ownership requirements of the Jones Act.

All of our offshore vessels are subject to either U.S. or international safety and classification standards, and sometimes both. U.S.-flag vessels, barges and crewboats are required to undergo periodic inspections pursuant to USCG regulations.

We are in compliance with the International Ship and Port Facility Security Code (the "ISPFS Code"), an amendment to the International Convention for the Safety of Life at Sea ("SOLAS") as implemented in the Maritime Transportation and Security Act of 2002 to align United States regulations with those of SOLAS and the ISPS Code. The ISPS Code provides that owners or operators of certain vessels and facilities must provide security and security plans for their vessels and facilities and obtain appropriate certification of compliance. Under the ISPS Code, we perform worldwide security assessments, risk analyses and develop vessel and required port facility security plans to enhance safe and secure vessel and facility operations. Additionally, we have developed security annexes for those U.S.-flag vessels that transit or work in waters designated as high risk by the USCG pursuant to the latest revision of Marsec Directive 104-6.

Insurance, Financial Assurance and Risk Management

We carry a broad range of insurance coverage including general liability, automobile liability, real and personal property, business interruption, workers compensation, directors and officers liability, environmental impairment liability, international and marine coverages in addition to other coverage customary for a company of our size in our industry. We purchase primary property, casualty and excess liability policies through traditional third party insurance carriers. We are self-insured for employee healthcare coverage with stop-loss insurance covering excess liabilities.

Our domestic casualty insurance program provides coverage for commercial general liability, employer's liability and automobile liability in the aggregate amount of $36.0 million each, per year, subject to a $250,000 retention per occurrence for our commercial general liability; a $350,000 deductible per occurrence for workers' compensation and employer's liability and a $500,000 deductible per occurrence for our automobile liability. Our workers compensation insurance limits are established by state statutes. Our Canadian casualty insurance program provides primary coverage for commercial general liability and automobile liability in the aggregate amount of $36.0 million each, per year, subject to a 50,000 Canadian dollars retention for general liability and deductibles starting from 500 Canadian dollars for automobile liability depending on applicable policy.

Our domestic property program provides coverage for real and personal property, business interruption and contractors' equipment with a loss limit of $35.0 million, subject to a $2.5 million deductible per occurrence for property and business interruption and a $500,000 deductible per occurrence for contractors' equipment. The program also includes flood, earthquake and wind coverage within the loss limit subject to applicable deductibles. For our Vernon, California facility, we maintain an additional $10.0 million of coverage for earthquakes subject to a $25,000 deductible per occurrence. A separate boiler and machinery program with a loss limit of $100.0 million for property damage and business interruption

is also maintained. Our Canadian property program provides coverage for real and personal property, business interruption and contractors' equipment with a loss limit of 84.0 million Canadian dollars, subject to applicable per-occurrence deductibles. This program includes flood, wind and earth-movement coverage within the stated loss limits. A separate Canadian boiler and machinery program with a loss limit of 86.1 million Canadian dollars is also maintained.

On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. We resumed limited operations at our Grand View, Idaho facility in February 2019 and have continued to regain additional capabilities throughout 2020. We are nearing completion on the construction of a new treatment building and supporting infrastructure with assumed resumption of full capabilities in 2021. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion, in excess of our deductibles, are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event may result in the loss of business, profits or customers during the time of such closure. As a result, our insurance policies may not fully compensate us for these losses.

Federal, state and provincial regulations require financial assurance to cover the cost of final closure and post closure obligations at certain operating and non-operating disposal facilities. Acceptable forms of financial assurance include third party standby letters of credit, surety bonds and insurance. Alternatively, we may be required to collect fees from waste generators to fund dedicated, state-controlled escrow or trust accounts during the operating life of the facility. Through December 31, 2020, we have met our financial assurance requirements through insurance, surety bonds, standby letters of credit and self-funded restricted trusts. As of December 31, 2020, we have provided collateral of $5.6 million in funded trust agreements, $23.2 million in surety bonds, issued $3.6 million in letters of credit for financial assurance and have insurance policies of approximately $117.8 million for closure and post closure obligations (dedicated state-controlled closure and post closure funds provide financial assurance for our Washington and Nevada facilities). We maintain surety bonds for closure costs associated with the Blainville, Québec, Canada facility. Our lease agreement with the Province of Québec requires that the surety bond be maintained for 25 years after the lease expires. As of December 31, 2020, we had $816,000 in commercial surety bonds dedicated for closure obligations at our Blainville, Québec, Canada facility.

Primary casualty insurance programs generally do not cover accidental environmental contamination losses. Our domestic and Canadian pollution liability programs provide coverage for these types of losses in the aggregate amount of $50.0 million and 25.0 million Canadian dollars per year, respectively, each subject to a $250,000 retention per occurrence. We also carry domestic and Canadian contractors professional environmental liability insurance in the aggregate amount of $25.0 million and 5.0 million Canadian dollars per year, respectively. The domestic program is subject to a $100,000 retention per occurrence and the Canadian program is subject to a 25,000 Canadian dollars deductible per incident. We also have a combination of standalone RCRA site specific policies with total aggregate limit of $68.0 million subject to a $250,000 retention.

For nuclear liability coverage, we maintain Facility Form and Workers' Form nuclear liability insurance provided under the federal Price Anderson Act. This insurance covers the operations of our facilities, suppliers and transporters.

NRC carried a broad range of insurance coverage specific to its operations most of which were maintained through December 31, 2019. Duplicative NRC insurance policies and/or programs were absorbed or combined throughout 2020, except for a separate and standalone property insurance program insuring the legacy NRC properties. This separate property policy provides coverage for real and personal property, business interruption and equipment with a loss limit of approximately $52.0 million blanket limits of insurance, $1.0 million for earthquake, flood, windstorm or hail and deductibles up to $25,000 depending on peril.

Marine exposures are addressed through a robust marine insurance package including hull and machinery, protection and indemnity, vessel pollution and other liability and excess insurance coverages with total loss limits of $150.0 million.

International operations exposures are addressed under locally placed insurance policies compulsory in the specific countries of operation and benefit from excess and difference in condition coverages with total loss limits of $36.0 million.

Significant Customers

No customer accounted for more than 10% of total revenue for the years ended December 31, 2020, 2019, or 2018.

Seasonal Effects

Seasonal fluctuations due to weather and budgetary cycles can influence the timing of customer spending for our services. Typically, in the first quarter of each calendar year there is less demand for our services due to weather-related reduced construction activities. While large, multi-year cleanup projects may continue in winter months, the pace of waste shipments may be slower, or stop temporarily, due to weather. Market conditions and federal funding decisions generally have a greater influence on the business than seasonality.

Human Capital Resources

On December 31, 2020, we had approximately 3,600 employees, of which approximately 400 in the United States and 100 in Canada were represented by various labor unions.

Our employees are our most valued asset at US Ecology. We believe that inclusion, equity, and diversity is essential to providing the best service to our customers. Through our Diversity and Inclusion Program, our team is focused on identifying our greatest opportunities to attract and develop diverse and high-performing talent. US Ecology pays our employees what we believe are market competitive wages, which include company-wide incentive programs and generous benefits to enable us to retain and develop employees into the future leaders of our industry.

We care about our employees' experience and continuously measure and improve employment practices. Through annual surveys, town-hall meetings, and an open-door policy, employees influence and affect change in our policies, programs, and practices. Our annual engagement survey measures our progress while collecting anonymous feedback to provide perspective on what matters most to our people. This leads to better decisions about resource deployment, benefit programs, leader effectiveness, and the overall employment experience. These continuous improvements attempt to ensure we provide best-in-class services to our customers while enabling our business units to achieve their goals.

During fiscal 2020, in response to the COVID-19 pandemic, we implemented safety protocols and new procedures to protect our employees, our subcontractors and our customers. These protocols include complying with social distancing and other health and safety standards as required by federal, state and local government agencies, taking into consideration guidelines of the Centers for Disease Control and Prevention and other public health authorities. In addition, we modified the way we conduct many aspects of our business to reduce the number of in-person interactions. For example, we significantly expanded the use of virtual interactions in all aspects of our business, including customer facing activities. With the safety of our employees as our first priority, we also rolled our 80 hours of incremental COVID-19 paid time off for each team member to address medical needs of their families dealing with this virus. This program was renewed in 2021. Finally, many of our administrative and operational functions during this time have required modification as well, including most of our administrative and support staff switching to remote work where feasible.

Executive Officers of Registrant

The following table sets forth the names, ages and titles, as well as a brief account of the business experience of each person who was an executive officer of US Ecology as of December 31, 2020:

Name	Age	Title
Jeffrey R. Feeler	51	President and Chief Executive Officer
Simon G. Bell	50	Executive Vice President and Chief Operating Officer
Eric L. Gerratt	50	Executive Vice President, Chief Financial Officer and Treasurer
Steven D. Welling	62	Executive Vice President of Sales and Marketing
Andrew P. Marshall	54	Executive Vice President of Regulatory Compliance & Safety

Jeffrey R. Feeler was appointed President and Chief Executive Officer in May 2013. Mr. Feeler was previously the Company's senior executive as President and Chief Operating Officer from October 2012 to May 2013 and as the Company's Vice President and Chief Financial Officer from May 2007 to October 2012. He joined US Ecology in 2006 as Vice President, Controller, Chief Accounting Officer, Treasurer and Secretary. He previously held financial and accounting management positions with MWI Veterinary Supply, Inc., Albertson's, Inc. and Hewlett-Packard Company. From 1993 to 2002, he held various accounting and auditing positions for PricewaterhouseCoopers LLP. Mr. Feeler is a Certified Public Accountant and holds a BBA of Accounting and a BBA of Finance from Boise State University.

Simon G. Bell was appointed Executive Vice President and Chief Operating Officer in November 2016. Mr. Bell previously served as the Company's Executive Vice President of Operations, Environmental Services from June 2014 to November 2016. From May 2013 to June 2014, he was Executive Vice President of Operations and Technology Development. From August 2007 to May 2013, he was Vice President of Operations. From 2005 to August 2007, he was Vice President of Hazardous Waste Operations. From 2002 to 2005, he was our Idaho facility General Manager and Environmental Manager. His 20 years of industry experience includes service as general manager of a competitor disposal facility and mining industry experience in Idaho, Nevada and South Dakota. He holds a BS in Geology from Colorado State University.

Eric L. Gerratt was appointed Executive Vice President, Chief Financial Officer and Treasurer in May 2013. Mr. Gerratt previously served as the Company's Vice President, Chief Financial Officer, Treasurer and Chief Accounting Officer from October 2012 to May 2013. He joined US Ecology in August 2007 as Vice President and Controller. He previously held various financial and accounting management positions at SUPERVALU, Inc. and Albertson's, Inc. From 1997 to 2003, he held various accounting and auditing positions for PricewaterhouseCoopers LLP. Mr. Gerratt is a Certified Public Accountant and holds a BS in Accounting from the University of Idaho.

Steven D. Welling was appointed Executive Vice President of Sales and Marketing in May 2013. Mr. Welling previously served as the Company's Senior Vice President, Sales and Marketing from January 2010 to May 2013. He joined US Ecology in 2001 through the Envirosafe Services of Idaho acquisition. He previously served as National Accounts Manager for Envirosource Technologies and Western Sales Manager for Envirosafe Services of Idaho and before that managed new market development and sales for a national bulk chemical transportation company. Mr. Welling holds a BS from California State University-Stanislaus.

Andrew P. Marshall was appointed Executive Vice President of Regulatory Compliance and Safety in May 2017. Mr. Marshall previously served as the Company's Senior Vice President, Regulatory Compliance and Safety from December 2014 to May 2017. He joined US Ecology in 2010 as Director of Environmental Compliance. He is a Professional Engineer with over 30 years of experience assisting companies comply with environmental regulations, including past positions with Kleinfelder, a national environmental consulting firm, and Boise Cascade Corporation. Mr. Marshall holds a BS in Civil Engineering from Seattle University, an MS in Environmental Engineering from Oregon State University, and an MBA from Northwest Nazarene University.

ITEM 1A. RISK FACTORS

Summary of Risk Factors

Below is a summary of the principal factors that could adversely affect our business, operations and financial results. This summary does not address all of the risks that we face. Additional discussion of the risks summarized in this summary, and other risks that we face, can be found below following this summary.

Risks Affecting All of Our Business

- The COVID-19 pandemic and resulting adverse economic conditions has had and may continue to have a negative impact on our business, financial condition and results of operations.
- We may be unable to renew key contracts or perform under our contracts which could impact our profitability.
- Adverse economic conditions, as well as fluctuations in the commodity market related to the demand and production of energy-related commodities, may harm our business.
- Failure to comply with applicable U.S. or foreign laws, including environmental laws and regulations, could negatively impact our business and result in us incurring material liability.
- Existing and future regulations related to climate change could negatively impact our business and impose additional compliance requirements on us and our customers.
- Any accident at one of our facilities may result in significant litigation or the imposition of significant fines.
- We handle dangerous substances and failure to handle such substances properly or maintain an acceptable safety record may have an adverse impact on our business.
- Our participation in multi-employer pension plans may subject us to liabilities that could materially adversely affect our results of operations.
- We may experience risks from our international operations, including the risk that we may not be able to enforce contracts in non-U.S. countries, we may be subject to restrictive activities by U.S. or foreign governments which could limit our business activities and foreign exchange rates may fluctuate.
- Changes to U.S. tariff and import/export regulations may negatively affect the markets we serve and ultimately harm us.
- A change in, or revocation of, our classification as an OSRO could result in a loss of business.
- A cybersecurity incident could negatively impact our business and our relationships with customers.
- Loss of key employees, as well as a change or deterioration in our labor relations, could harm our business.
- We may be unable to enter into arrangements with independent contractors who provide important emergency response services to our customers on financially acceptable terms.

Additional Risks of Our Waste Solutions and Energy Waste Businesses

- Our energy waste business could be adversely affected by changes in laws regulating energy waste.
- Lower crude oil prices may adversely affect the level of development and production activity of energy companies, which could decrease the demand for our energy waste business.
- If we are unable to obtain the necessary levels of insurance and financial assurances required for our operations, our business would be adversely affected.
- We are subject to operating and litigation risks that may not be covered by insurance.
- A significant portion of our business depends upon non-recurring event cleanup projects over which we have no control.
- If we are unable to obtain regulatory approvals and contracts for construction of additional disposal space by the time our current disposal capacity is exhausted, our business would be adversely affected.

- If we are unable to renew our operating permits or lease agreements with regulatory bodies, our business would be adversely affected.
- We may not be able to obtain timely or cost-effective transportation services which could adversely affect our profitability, and an increase in transportation costs may reduce our earnings.
- The hazardous and radioactive waste industries in which we operate are subject to litigation risk, which could result in significant liability.

Additional Risks of Our Field Services Business

- A significant portion of our Field Services segment depends upon the demand for cleanup of spills and other remedial projects and regulatory developments over which we have no control.

Additional Risks of Completed and Potential Acquisitions

- The Company may be unable to integrate the business of NRC and realize the benefits (including goodwill or other intangible assets) of the NRC Merger and we continue to incur substantial expenses in connection with the NRC Merger.
- Acquisitions that we undertake could be difficult to integrate or disrupt our business, which would ultimately disrupt our results of operations.
- In the event that we undertake future acquisitions, we may not be able to successfully execute our acquisition strategy, and the timing and number of acquisitions we pursue may cause volatility in our financial results.

Risks Relating to Our Capital Structure

- We may not be able or willing to pay future dividends.
- Future stock issuances may adversely affect common stock ownership interest and rights in comparison with those of other security holders.
- The price of our common stock has fluctuated in the past and this may make it difficult for stockholders to resell shares of common stock at times or may make it difficult for stockholders to sell shares of common stock at prices they find attractive.
- Anti-takeover provisions in our organizational documents and under Delaware law may impede or discourage a takeover, which could cause the market price of our common stock to decline.
- The sale of a substantial number of shares of our common stock into the public market by certain stockholders may result in significant downward pressure on the price of our common stock and could affect your ability to realize the current trading price of our common stock.
- Fluctuations in price of our common stock may make it difficult for stockholders to resell shares of common stock or may make it difficult for stockholders to sell shares of common stock at prices they find attractive.
- There is no guarantee that our warrants will ever be in the money and they may expire worthless.
- Our indebtedness may limit the amount of cash flow available to invest in the ongoing needs of our business, and our credit agreement restricts our ability to engage in certain corporate and financial transactions.
- Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative reference rate, may adversely affect interest expense related to our debt.

Risks Related to the Jones Act

- Our business would be adversely affected if we failed to comply with the Jones Act.
- Repeal, amendment, suspension or non-enforcement of the Jones Act would result in additional competition for a substantial portion of our services and could have a material adverse effect on our business.
- Our common stock is subject to restrictions on ownership by non-U.S. Citizens, which could require divestiture by non-U.S. Citizen stockholders and could have a negative impact on its value.

General Risk Factors

- Our market is highly competitive and the failure to compete successfully could have a material adverse effect on our business, financial condition and results of operations.
- Adverse economic conditions, government funding or competitive pressures affecting our customers could harm our business.
- If we fail to comply with applicable laws and regulations our business could be adversely affected.
- We could be subject to significant fines and penalties, and our reputation could be adversely affected, if our businesses, or third parties with whom we have a relationship, were to fail to comply with U.S. or foreign laws or regulations.
- We are subject to complex laws, rules and regulations relating to our securities, including rules and regulations promulgated by the SEC, that can adversely affect the cost, manner or feasibility of doing business.
- Our participation in multi employer pension plans may subject us to liabilities that could materially adversely affect our liquidity, cash flows and results of operations.
- A cybersecurity incident could negatively impact our business and our relationships with customers.
- Unanticipated changes in our tax positions or adverse outcomes resulting from examination of our income tax returns could adversely affect our results of operations.
- Loss of key management or sales personnel could harm our business.

Risks Affecting All of Our Businesses

The COVID-19 pandemic and resulting adverse economic conditions has had and will continue to have a negative impact on our business, financial condition and results of operations.

In December 2019, COVID-19 began spreading around the world. The spread of COVID-19 has resulted in temporary closures of many corporate offices, retail stores, and manufacturing facilities and factories around the world, including, starting in March 2020, the United States. Local, state and federal and numerous non-U.S. governmental authorities have imposed travel restrictions, business closures and other quarantine measures, many of which remain in effect on the date of this Annual Report on Form 10-K. The COVID-19 pandemic has also decreased industrial demand for, exacerbated downward pressures on, crude oil and natural gas.

Prolonged unfavorable economic conditions, and any resulting recession or slowed economic growth, has resulted and may continue to result in lower demand for certain of our services as well as the inability of various customers, contractors, suppliers and other business partners to fulfill their obligations. For example, declines in the price of oil and natural gas have adversely impacted energy companies, which have caused them to reduce capital expenditures, which has and is expected to continue to adversely affect our energy waste business. In addition, certain of our customers have been, and may in the future be, required to close down or operate at a lower capacity, which may, as a result, adversely impact our business in the short term and may in the future materially adversely affect our business, financial condition and results of operations. There can be no assurance that any decrease in revenues resulting from the COVID-19 pandemic will return to previous levels in the future. While we cannot predict the ultimate impact of the COVID-19 pandemic and while we have taken certain measures to strengthen our resiliency to the COVID-19 pandemic, we expect our financial results to continue to be adversely impacted. We also continue to monitor the disruption in capital markets caused by the COVID-19 pandemic. If capital markets conditions deteriorate and we need to access the capital markets there can be no assurance that we will be able to obtain such financing on commercially reasonable terms or at all.

Despite our efforts to manage the effects of the COVID-19 pandemic, their ultimate impact is highly uncertain and subject to change, and also depends on factors beyond our knowledge or control, including the duration and severity of this outbreak as well as actions taken by governments and private parties to contain its spread and mitigate its public health effects. We do not yet know the full extent of the potential impact to our business or the global economy as a whole, which could be significant. In addition, we cannot predict the ultimate impact that the COVID-19 pandemic will have on our

customers, suppliers, vendors, and other business partners, and each of their financial conditions. However, any material effect on these parties could adversely impact us.

The COVID-19 pandemic could cause material disruptions to our business and operations in the future as a result of, among other things, quarantines, cyber-attacks, worker absenteeism as a result of illness or other factors, social distancing measures and other travel, health-related, business or other restrictions. If a significant percentage of our workforce is unable to work, including because of illness or travel or government restrictions in connection with the pandemic, our operations may be negatively affected. An extended period of remote work arrangements could also increase operational risks, including but not limited to cybersecurity risks, which could impair our ability to manage our business. Refer to *"A cybersecurity incident could negatively impact our business and our relationships with customers"* risk discussed under General Risk Factors below.

For similar reasons, the COVID-19 pandemic may similarly adversely impact our suppliers, including the suppliers of personal protective equipment for our employees and contractors. Depending on the extent and duration of all of the above-described effects on our business and operations and the business and operations of our suppliers, our costs could increase, including our costs to address the health and safety of personnel, and our ability to obtain certain supplies or services could be curtailed.

The impact of the COVID-19 pandemic may also aggravate other risks described herein, which could materially adversely affect our business, financial condition, results of operations (including revenues and profitability) and/or stock price. In addition, the COVID-19 pandemic may also affect our operating or financial results in a manner that is not presently known to us or that we do not consider to present significant risks to operations.

The completion of, loss of or failure to renew one or more significant contracts could adversely affect our profitability.

We provide disposal and transportation services to customers on discrete Event Business projects (non-recurring project-based work) which vary widely in size, duration and unit pricing. Some of these multi-year projects can account for a significant portion of our revenue and profit. The replacement of Event Business revenue and earnings depends on multiple factors, many of which are outside of our control including, but not limited to, general and industry-specific economic conditions, capital in the commercial credit markets, general level of government funding on environmental matters, real estate development and other industrial investment opportunities. Our inability to replace the revenue from Event Business projects with new business could result in a material adverse effect on our financial condition and results of operations.

Failure to perform under our contracts may adversely harm our business.

Certain contracts require us to meet specified performance criteria. Our ability to meet these criteria requires that we expend significant resources. If we or our subcontractors are unable to perform as required, we could be subject to substantial monetary penalties and/or loss of the affected contracts which may adversely affect our business.

Fluctuations in the commodity market related to the demand and production of oil, gas and other energy-related commodities may affect our business, financial position, results of operations and cash flows.

Declines in the production level of oil, gas and other energy-related commodities could have significant adverse effects on us. Commodity demand fluctuates for several reasons, including, but not limited to, changes in market and economic conditions, the impact of weather, levels of domestic and international production, domestic and foreign governmental regulation, national protectionism policies and trade disputes. Volatility of commodity demand, which may lead to a reduction in production or supply of the commodity, may negatively impact the demand for our services. A decline in the demand for these services may have a material adverse effect on our business, financial position, results of operations and cash flows.

We could incur liability, including under environmental laws, rules and regulations, in connection with providing spill response services.

We may incur increased legal fees and costs in connection with providing spill response services. Although the services provided by us are generally exempt in the United States from liability under the CWA, this exemption might not apply to our own actions and omissions in providing spill response services if we are found to have been grossly negligent or to have engaged in willful misconduct, or if we have failed to provide these services consistent with applicable regulations and directives under the CWA. In addition, the exemption under the federal CWA would not protect a company against liability for personal injury or wrongful death, or against prosecution under other federal or state laws. Although most of the states within the United States in which we provide services have adopted similar exemptions, several states have not. If a court or other applicable authority were to determine that we do not benefit from federal or state exemptions from liability in providing emergency response services, we could be liable, together with the local contractor and the responsible party, for any resulting damages, including damages caused by others. In the international market, we do not benefit from the spill response liability protection provided by the CWA and therefore are subject to the liability terms and conditions negotiated with our international clients.

If Congress repeals the exemption to liability for responders that is discussed above, or otherwise scales back the protections afforded to contractors thereunder, there may be increased exposure for remediation work and the cost for securing insurance for such work may become prohibitively expensive. In addition, more generally Congress could increase or remove the limits of liability currently in place under OPA 90 for facilities and vessels. Without affordable insurance and appropriate legislative regulation limiting liability, drilling, exploration, remediation and further investment in oil and gas exploration in the U.S. Gulf of Mexico may be discouraged and thus reduce the demand for our services.

We could incur liability under environmental laws, rules and regulations in connection with providing waste disposal services.

Environmental laws and regulations impose liability and responsibility on present and former owners, operators or users of facilities and sites for contamination at such facilities and sites without regard to fault or knowledge of contamination. In the past, practices have resulted in releases of regulated materials at and from certain of our facilities, or the disposal of regulated materials at third-party sites, which require investigation and remediation and may potentially result in claims of personal injury, property damage and damages to natural resources. In addition, we occasionally evaluate various alternatives with respect to our facilities, including possible dispositions or closures. Investigations undertaken in connection with these activities may lead to discoveries of contamination that must be remediated, and closures of facilities might trigger compliance requirements that are not applicable to operating facilities. We are currently conducting remedial activities at certain of our facilities and paying a portion of the remediation costs at certain sites owned by third parties. Based on available information, we believe these remedial activities will not result in a material adverse effect on our business, financial position, result of operations and cash flows. However, these activities or the discovery of previously unknown conditions could result in material costs.

In addition, we are required to obtain governmental permits to provide our services, operate our facilities, including all of our landfills, and expand our operations. Although we are committed to compliance and safety, we may not, either now or in the future, be in full compliance at all times with such laws, rules and regulatory requirements or be able to renew or procure governmental permits. As a result, we could be required to incur significant costs to maintain or improve our compliance with such requirements. Moreover, failure to comply with applicable laws, rules and regulations may also result in administrative and civil penalties, criminal sanctions or the suspension or termination of our operations.

From time to time, we have paid fines or penalties in governmental environmental enforcement proceedings, usually involving our waste treatment, storage and disposal facilities. Although none of these fines or penalties has had a material adverse effect upon us, we might in the future be required to make substantial expenditures as a result of governmental proceedings which would have a negative impact on our earnings. Furthermore, regulators have the power to suspend or revoke permits or licenses needed for operation of our plants, equipment and vehicles based on, among other factors, our compliance record. Suspension or revocation of permits or licenses would impact our operations and could have a material impact on our financial results.

Existing or future laws and regulations related to greenhouse gases and climate change could have an impact on our business and may result in additional compliance obligations on us and our customers.

Changes in environmental requirements related to greenhouse gases and climate change may impact demand for our services. For example, oil and natural gas exploration and production may decline as a result of environmental requirements, including land use policies responsive to environmental concerns. However, increased environmental requirements could also increase demand for our services. Local, state and federal agencies have been evaluating climate-related legislation and other regulatory initiatives that would restrict emissions of greenhouse gases in areas in which we conduct business. To a certain extent our business depends on the level of activity in the oil and natural gas industry, existing or future laws and regulations related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, could have an impact on our business if such laws or regulations reduce demand for oil and natural gas.

An accident at any one of our facilities may result in significant litigation or the imposition of fines as a result of regulatory investigations, as well as the loss of business, profits or customers, which may not be fully covered by our insurance policies.

On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. We resumed limited operations at our Grand View, Idaho facility in February 2019 and regained additional capabilities throughout the remainder of 2020. On January 10, 2020, we entered into a settlement agreement with OSHA settling a complaint made by OSHA relating to the incident for $50,000. On January 28, 2020, the Occupational Safety and Health Review Commission issued an order terminating the proceeding relating to such OSHA complaint. We have not otherwise been named as a defendant in any third-party action relating to the incident. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion, in excess of our deductibles, are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility, may result in the loss of business, profits or customers during the time of such closure. Accordingly, our insurance policies may not fully compensate us for these losses.

Our business requires the handling of dangerous substances. Improper handling of such substances could result in an adverse impact on our financial condition and results of operations.

We are subject to unexpected occurrences related, or unrelated, to the routine handling of dangerous substances. A fire or other incident could impair the ability of one or more facilities to continue to perform normal operations, which could have a material adverse impact on our financial condition and results of operations. Improper handling of these substances could also violate laws and regulations resulting in fines and/or suspension of operations.

Failure to maintain an acceptable safety record may have an adverse impact on our ability to retain and acquire customers.

Our current and prospective customers consider safety and reliability a primary concern in selecting a service provider. We must maintain a record of safety and reliability that is acceptable to our customers. Should this not be achieved, our ability to retain current customers and attract new customers may be adversely affected.

We may experience risks from our international operations.

Our ability to compete in the international market may be adversely affected by foreign government regulations that favor or require the awarding of contracts to local competitors, or that require non-U.S. Citizens to employ citizens of, or purchase supplies from, a particular jurisdiction. Further, our foreign subsidiaries may face governmentally imposed restrictions on their ability to transfer funds to their parent company. Activity outside the United States involves additional risks, including the possibility of:

- United States embargoes or restrictive actions by U.S. and foreign governments that could limit our ability to provide services in foreign countries;
- a change in, or the imposition of, withholding or other taxes on foreign income, tariffs or restrictions on foreign trade and investment;
- limitations on the repatriation of earnings or currency exchange controls and import/export quotas;
- local cabotage and local ownership laws and requirements;
- nationalization, expropriation, asset seizure, blockades and blacklisting;
- limitations in the availability, amount or terms of insurance coverage;
- loss of contract rights and inability to enforce contracts;
- political instability, war and civil disturbances or other risks that may limit or disrupt markets, such as terrorist attacks, piracy and kidnapping;
- the impact of public health epidemics like the coronavirus which originated in the Wuhan region of China;
- fluctuations in currency exchange rates, hard currency shortages and controls on currency exchange that affect demand for our services and profitability;
- potential noncompliance with a wide variety of laws and regulations, such as the FCPA, and similar non-U.S. laws and regulations, including the U.K. Bribery Act 2010;
- labor strikes and volatility in labor costs;
- changes in general economic and political conditions; and
- difficulty in staffing and managing widespread operations.

In addition, to the extent that we use a non-U.S. currency as a functional currency in a particular territory, we are exposed to fluctuations in the value of such currency. In addition, risks related to our activities outside of the United States include the repatriation of cash to the United States and the imposition of additional taxes on our foreign income.

Moreover, our business is also impacted by the negotiation and implementation of free trade agreements between the United States and other countries. Such agreements can reduce barriers to international trade and thus the cost of conducting business overseas. For instance, the United States reached a new trilateral trade agreement with the governments of Canada and Mexico – the United States-Mexico-Canada Agreement ("USMCA") – to replace the North American Free Trade Agreement ("NAFTA"). The USMCA came into effect on July 1, 2020. If any of the countries withdraws from USMCA, our cost of doing business within the three countries could increase.

Any of the foregoing or other factors associated with doing business abroad could adversely affect our business, financial condition and results of operations.

Our financial results could be adversely affected by foreign exchange fluctuations.

We operate in the United States, Canada, the United Kingdom, Mexico, Europe, the Middle East, and Africa but report revenue, costs and earnings in U.S. dollars. In fiscal 2020, we recorded approximately 11% of our revenues outside of the United States. Exchange rates between the U.S. dollar and local currencies are likely to fluctuate from period to period. Because our financial results are reported in U.S. dollars, we are subject to the risk of non-cash translation losses for

reporting purposes. If we continue to expand our international operations, we will conduct more transactions in currencies other than the U.S. dollar. To the extent that foreign revenue and expense transactions are not denominated in the local currency, we are further subject to the risk of transaction losses. We have not entered into derivative instruments to offset the impact of foreign exchange fluctuations. Fluctuations in foreign currency exchange rates could have a material adverse effect on our financial condition and results of operations.

Changes to U.S. tariff and import/export regulations may have a negative effect on the markets and industries we serve and, in turn, harm us.

Recently, there have been significant changes to U.S. trade policies, treaties and tariffs, which have resulted in uncertain economic and political conditions that have made it difficult for us and our customers to accurately forecast and plan future business activities. For example, the U.S. has imposed tariffs on certain products imported into the U.S. from China, the European Union and other countries, and could impose additional tariffs or trade restrictions. Such changes to U.S. policies related to global trade and tariffs have resulted in uncertainty surrounding the future of the global economy and have resulted in certain retaliatory trade measures and tariffs implemented by other countries. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the United States. Any of these factors could depress economic activity and have a material adverse effect on the business and financial condition of our customers, which in turn could negatively impact us.

A change in, or revocation of, our classification as an OSRO could result in a loss of business.

NRC, a wholly owned subsidiary of the Company, is classified by the USCG as an OSRO. The USCG classifies OSROs based on their overall ability to respond to various types and sizes of oil spills. USCG-classified OSROs have a competitive advantage over non-classified service providers because customers of a classified OSRO may cite classified OSROs in their response plans in lieu of listing their oil spill response resources in filings with the USCG. A loss of our classification or changes in the requirements for classification could eliminate or diminish our ability to provide customers with this exemption. If this happens, our Field & Industrial Service segment could lose customers.

A change or deterioration in labor relations could disrupt our business or increase costs, which could have a material adverse effect on our business, financial condition and results of operations.

The Company is a party to collective bargaining agreements covering approximately 500, or approximately 14%, of our employees. While we believe the Company will maintain good working relations with its employees on acceptable terms, there can be no assurance that we will be able to negotiate the terms of future agreements in a manner acceptable to the Company. Potential work disruptions from labor disputes may disrupt our businesses and adversely affect our financial condition and results of operations.

We rely on third-party contractors to provide important emergency response services to our customers.

We rely on independent contractors to provide services and support to our customers. While the use of independent contractors expands the reach and customer base for our services, the maintenance and administration of these relationships is costly and time consuming. If we do not enter into arrangements with these independent contractors on financially acceptable terms, these relationships may have a material adverse effect on our business, financial position, results of operations and cash flows.

Additional Risks of Our Waste Solutions and Energy Waste Business

Our energy waste business could be adversely affected by changes in laws regulating energy waste.

We believe that the demand for our energy waste services is directly related to the regulation of energy waste. In particular, RCRA, which governs the disposal of solid and hazardous waste, currently exempts certain energy wastes from classification as hazardous wastes. In recent years, proposals have been made to rescind this exemption from RCRA. If the exemption covering energy wastes is repealed or modified, or if the regulations interpreting the rules regarding the

treatment or disposal of this type of waste were changed, our operations could face significantly more stringent regulations, permitting requirements, and other restrictions, which could have a material adverse effect on our business.

In addition, if new federal, state, provincial or local laws or regulations that significantly restrict hydraulic fracturing are adopted, such legal requirements could result in delays, eliminate certain drilling and injection activities and make it more difficult or costly for our customers to perform fracturing. Any such regulations limiting or prohibiting hydraulic fracturing could reduce our customers' oil and natural gas exploration and production activities and, therefore, adversely affect our business. Such laws or regulations could also materially increase our costs of compliance and doing business by more strictly regulating how hydraulic fracturing wastes are handled or disposed. Conversely, any loosening of existing federal, state, provincial or local laws or regulations regarding how such wastes are handled or disposed could adversely impact demand for our services.

Lower crude oil prices may adversely affect the level of exploration, development and production activity of energy companies and the demand for our energy waste services.

Lower crude oil prices and the volatility of such prices may affect the level of investment and the amount of linear feet drilled in the basins where we operate, as it may impact the ability of energy companies to access capital on economically advantageous terms or at all. In addition, energy companies may elect to decrease investment in basins where the returns on investment are inadequate or uncertain due to lower crude oil prices or volatility in crude oil prices. Such reductions in capital spending would negatively impact energy waste generation and therefore the demand for our services. Further, we cannot provide assurances that higher crude oil prices will result in increased capital spending and linear feet drilled by our customers in the basins where we operate.

If we are unable to obtain at a reasonable cost or under reasonable terms and conditions the necessary levels of insurance and financial assurances required for operations, our business and results of operations would be adversely affected.

We are required by law, license, permit and prudence to maintain various insurance instruments and financial assurances. We carry a broad range of insurance coverage, including general liability, automobile liability, real and personal property, workers compensation, directors and officers liability, environmental impairment liability, business interruption and other coverage customary for a company of our size in our business. We purchase primary property, casualty and excess liability policies through traditional third-party insurance carriers to mitigate risk of loss. We are self-insured for employee healthcare coverage. Stop loss insurance is carried covering liability on claims in excess of $300,000 per individual. Accrued costs related to the self-insured healthcare coverage were $3.3 million and $1.0 at December 31, 2020 and 2019, respectively. If our insurers were unable to meet their obligations, or our own obligations for claims were more than expected, there could be a material adverse effect to our financial condition and results of operation.

Through December 31, 2020, we have met our financial assurance requirements through a combination of insurance policies, commercial surety bonds and trust funds. We continue to use self-funded trust accounts for our post closure obligations at our U.S. non-operating sites and utilize closure and post-closure insurance to address any balance deficits in these accounts. We use commercial surety bonds for our Canadian operations and for our Texas energy waste landfills. We currently have in place all financial assurance instruments necessary for our operations. While we expect to continue renewing these policies and surety bonds, if we were unable to obtain adequate closure, post closure or environmental insurance, bonds or other instruments in the future, any partially or completely uninsured claim against us, if successful and of sufficient magnitude, could have a material adverse effect on our results of operations and cash flows. Additionally, continued access to casualty and pollution legal liability insurance with sufficient limits, at acceptable terms, is important to obtaining new business. Failure to maintain adequate financial assurance could also result in regulatory action including early closure of facilities. As of December 31, 2020, we had provided collateral of $5.6 million in funded trust agreements, $23.2 million in surety bonds, issued $3.6 million in letters of credit for financial assurance and have insurance policies of approximately $117.8 million for closure and post closure obligations at covered U.S. operating facilities. As of December 31, 2020, we have $816,000 in commercial surety bonds dedicated for closure obligations at our Blainville, Québec, Canada facility.

While we believe we will be able to renew and maintain all our insurance and requisite financial assurance policies at a reasonable cost, premium and collateral requirements may materially increase. Such increases could have a material adverse effect on our financial condition and results of operations.

We are subject to operating and litigation risks that may not be covered by insurance.

Our business operations are subject to all of the operating hazards and risks normally incidental to the handling, storage and disposal of combustible and other hazardous products. These risks could result in substantial losses due to personal injury and/or loss of life, and severe damage and destruction of property and equipment arising from explosions or other catastrophic events. As a result, we may become a defendant in legal proceedings and litigation arising in the ordinary course of business. Additionally, environmental contamination could result in future legal proceedings. There can be no assurance that our insurance coverage will be adequate to protect us from all material expenses related to pending and future claims or that such levels of insurance would be available in the future at economical prices, as described above.

Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility (as described herein), may result in the loss of business, profits or customers during the time of such closure. As such, our insurance policies may not fully compensate us for these losses.

A significant portion of our business depends upon non-recurring event cleanup projects over which we have no control.

A significant portion of our disposal revenue is attributable to discrete Event Business which varies widely in size, duration and unit pricing. For the year ended December 31, 2020, approximately 27% of our T&D revenue was derived from Event Business projects. The one-time nature of Event Business, diverse spectrum of waste types received and widely varying unit pricing necessarily creates variability in revenue and earnings. This variability may be influenced by general and industry-specific economic conditions, funding availability, changes in laws and regulations, government enforcement actions or court orders, public controversy, litigation, weather, commercial real estate, closed military bases and other project timing, government appropriation and funding cycles and other factors. This variability can cause significant quarter-to-quarter and year-to-year differences in revenue, gross profit, gross margin, operating income and net income. Also, while we pursue many large projects months or years in advance of work performance, both large and small cleanup project opportunities routinely arise with little or no prior notice. These market dynamics are inherent to the waste disposal business and are factored into our projections and externally communicated business outlook statements. Our projections combine historical experience with identified sales pipeline opportunities, new or expanded service line projections and prevailing market conditions. A reduction in the number and size of new cleanup projects won to replace completed work could have a material adverse effect on our financial condition and results of operations.

If we are unable to obtain regulatory approvals and contracts for construction of additional disposal space by the time our current disposal capacity is exhausted, our business would be adversely affected.

Construction of new disposal capacity at our operating disposal facilities beyond currently permitted capacity requires state and provincial regulatory agency approvals. Administrative processes for such approval reviews vary. There can be no assurance that we will be successful in obtaining future expansion approvals in a timely manner or at all. If we are not successful in receiving these approvals, our disposal capacity could eventually be exhausted, preventing us from accepting additional waste at an affected facility. This would have a material adverse effect on our business.

If we are unable to renew our operating permits or lease agreements with regulatory bodies, our business would be adversely affected.

Our facilities operate using permits and licenses issued by various regulatory bodies at various state, provincial and federal government levels. In addition, three of our facilities operate on land that is leased from government agencies. Failure to renew our permits and licenses necessary to operate our facilities or failure to renew or maintain compliance with our site lease agreements would have a material adverse effect on our business. There can be no assurance we will continue to be successful in obtaining timely permit applications approval, maintaining compliance with our lease agreements and obtaining timely lease renewals.

We may not be able to obtain timely or cost-effective transportation services which could adversely affect our profitability.

Revenue at each of our facilities is subject to potential risks from disruptions in rail or truck transportation services relied upon to deliver waste to our facilities. Increases in fuel or labor costs, shortages of qualified drivers and unforeseen events such as labor disputes, public health pandemics, severe weather, natural disasters and other acts of God, war or terror could prevent or delay shipments and reduce both volumes and revenue. Our rail transportation service agreements with our customers generally allow us to pass on fuel surcharges assessed by the railroads to such customers. This may decrease or eliminate our exposure to fuel cost increases. Transportation services may be limited by economic conditions, including increased demand for rail or trucking services, resulting in periods of slower service to the point that individual customer needs cannot be met. No assurance can be given that we can procure transportation services in a timely manner at competitive rates or pass through fuel cost increases in all cases. Such factors could also limit our ability to achieve revenue and earnings objectives.

The hazardous and radioactive waste industries in which we operate are subject to litigation risk.

The handling of radioactive, PCBs and hazardous material subjects us to potential liability claims by employees, contractors, property owners, neighbors and others. There can be no assurance that our existing liability insurance is adequate to cover claims asserted against us or that we will be able to maintain adequate insurance in the future. Adverse rulings in judicial or administrative proceedings could also have a material adverse effect on our financial condition and results of operations.

Additional Risks of Our Field Services Business

A significant portion of our Field Services segment depends upon the demand for cleanup of spills and other remedial projects and regulatory developments over which we have no control.

A significant portion of our Field Services segment consists of remediation, recycling, industrial cleaning and maintenance, transportation, total waste management, technical services, and emergency response services. Demand for these services can be affected by the commencement and completion of cleanup of major spills and other events, customers' decisions to undertake remedial projects, seasonal fluctuations due to weather and budgetary cycles influencing the timing of customers' spending for remedial activities, the timing of regulatory decisions relating to hazardous waste management projects, changes in regulations governing the management of hazardous waste, changes in the waste processing industry towards waste minimization and the propensity for delays in the demand for remedial services, and changes in governmental regulations relevant to our diverse operations. We do not control such factors and, as a result, our revenue and income can vary from quarter to quarter or year to year, and past financial performance may not be a reliable indicator of future performance.

Additional Risks of Completed and Potential Acquisitions

The Company may be unable to integrate successfully the business of NRC and realize the anticipated benefits of the NRC Merger

On November 1, 2019, the Company closed the NRC Merger. The success of the NRC Merger depends, in large part, on the ability of the Company to realize the anticipated benefits, including cost savings, from combining the businesses of the Company and NRC. Prior to the acquisition of NRC, the Company had never pursued an acquisition of comparable size or complexity. To realize these anticipated benefits, the businesses of the Company and NRC must be integrated successfully. This integration is complex and time consuming. The failure to successfully integrate and manage the challenges presented by the integration process may result in the combined company not fully achieving the anticipated benefits of the NRC Merger. Any failure to timely realize these anticipated benefits would have a material adverse effect on our business, operating results, and financial condition, and could also have a material and adverse effect on the trading price or trading volume of our common stock. Potential difficulties the Company may encounter as part of the integration process, many of which may be beyond the control of management, include the following:

- the inability to successfully combine the businesses of the Company and NRC in a manner that permits the combined company to achieve the full synergies anticipated to result from the NRC Merger;
- complexities and unanticipated issues associated with managing the combined businesses, including the challenge of integrating complex systems, technology, networks, financial procedures, communications programs and other assets, procedures or policies of each of the companies in a seamless manner that minimizes any adverse impact on customers, suppliers and other constituencies;
- coordinating geographically separated organizations, systems and facilities;
- difficulties in managing a larger combined company, addressing possible differences in business backgrounds, corporate cultures, maintaining employee morale and management philosophies and retaining key personnel;
- unanticipated changes in applicable laws and regulations;
- integrating the workforces of the two companies while maintaining focus on achieving strategic initiatives;
- the possibility of faulty assumptions underlying expectations regarding the integration process;
- potential unknown liabilities and unforeseen increased or new expenses, delays or regulatory conditions associated with the NRC Merger;
- consolidating corporate and administrative infrastructures and eliminating duplicative operations; and
- managing tax costs or inefficiencies associated with integrating the operations of the combined company

In addition, US Ecology and NRC operated independently prior to the closing of the NRC Merger. It is possible that the integration process could result in:

- ongoing diversion of the attention of each company's management and resources from other strategic opportunities and from operational matters;
- latent impacts resulting from the diversion of the Company's management team from ongoing business concerns as a result of the devotion of management's attention to the integration process;
- disruption of existing relationships with customers and suppliers;
- an interruption of, or a loss of momentum in, the activities and business operations of the Company, which could seriously harm the results of operations; and
- inconsistencies in standards, controls, procedures and policies, any of which could adversely affect the Company ability to maintain relationships with customers, suppliers, employees and other constituencies or the Company's ability to achieve the anticipated benefits of the NRC Merger, or which could adversely affect the business and financial results of the Company.

The Company has incurred, and expects to continue to incur, substantial expenses related to the integration of the Company and NRC.

The Company expects to incur substantial expenses in connection with the integration of the Company and NRC. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting, finance and payroll. While the Company has assumed that a certain level of expenses would be incurred, there are many factors beyond its control that could affect the total amount or the timing of the

integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings.

Acquisitions that we undertake could be difficult to integrate, disrupt our business, dilute stockholder value and adversely affect our results of operations.

In addition to the risks listed above relating to the NRC Merger, acquisitions by the Company may involve multiple other risks. Our inability to successfully integrate an acquired business could have a material adverse effect on our financial condition and results of operations. These risks include but are not limited to:

- failure of the acquired company to achieve anticipated revenues, earnings or cash flows;
- assumption of liabilities, including those related to environmental matters, that were not disclosed to us or that exceed our estimates;
- problems integrating the purchased operations with our own, which could result in substantial costs and delays or other operational, technical or financial problems;
- potential compliance issues relating to the protection of health and the environment, compliance with securities laws and regulations, adequacy of internal controls and other matters;
- diversion of management's attention or other resources from our existing business;
- risks associated with entering markets or product/service areas in which we have limited prior experience;
- increases in working capital investment to fund the growth of acquired operations;
- unexpected capital expenditures to upgrade waste handling or other infrastructure or replace equipment to operate safely and efficiently;
- potential loss of key employees and customers of the acquired company; and
- future write-offs of intangible and other assets, including goodwill, if the acquired operations fail to generate sufficient cash flows.

If we are not able to achieve these objectives, the anticipated benefits of an acquisition may not be realized fully, if at all, or may take longer to realize than expected. It is possible that the integration process could result in the loss of key employees, the disruption of our ongoing business, failure to implement the business plan for the combined businesses, unanticipated issues in integrating service offerings, logistics information, communications and other systems or other unanticipated issues, expenses and liabilities, any or all of which could adversely affect our ability to maintain relationships with customers and employees or to achieve the anticipated benefits of the acquisition.

In the event that we undertake future acquisitions, we may not be able to successfully execute our acquisition strategy.

We may experience delays in making acquisitions or be unable to make the acquisitions we desire for a number of reasons. Suitable acquisition candidates may not be available at purchase prices that are attractive to us or on terms that are acceptable to us. In pursuing acquisition opportunities, we typically compete with other companies, some of which have greater financial and other resources than we do. We may not have available funds or common stock with a sufficient market price to complete an acquisition. If we are unable to secure sufficient funding for potential acquisitions, we may not be able to complete acquisitions that we otherwise find advantageous.

The timing and number of acquisitions we pursue may cause volatility in our financial results.

We are unable to predict the size, timing and number of acquisitions we may complete, if any. In addition, we may incur expenses associated with sourcing, evaluating and negotiating acquisitions (including those that are not completed), and we also may pay fees and expenses associated with financing acquisitions to investment banks and others. Any of these amounts may be substantial, and together with the size, timing and number of acquisitions we pursue, may negatively impact and cause significant volatility in our financial results and the price of our common stock.

Failure to realize the anticipated benefits and operational performance from previously acquired operations could lead to an impairment of goodwill or other intangible assets.

As a result of acquisitions since 2010, including our acquisition of NRC in 2019, we have goodwill of $413.0 million, non-amortizing intangible assets of $82.9 million and amortizing intangible assets of $441.1 million at December 31, 2020. We are required to test goodwill and non-amortizing intangible assets at least annually to determine if impairment has occurred. We are also required to test goodwill and intangible assets if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The testing of goodwill and other intangible assets for impairment requires us to make significant estimates about future performance and cash flows, as well as other assumptions. These estimates can be affected by numerous factors, including potential changes in economic, industry or market conditions, changes in laws or regulations, changes in business operations, changes in competition or changes in our stock price and market capitalization. Changes in these factors, or changes in actual performance compared with estimates of our future performance, may affect the fair value of goodwill or other intangible assets, which may result in an impairment charge.

Based on the results of those tests, during 2020 we recorded a $363.9 million goodwill impairment charge on our Energy Waste ("EW") reporting unit, a $14.4 million goodwill impairment charge on our Field Services reporting unit, a $5.5 million goodwill impairment charge on our International reporting unit and a $21.1 million impairment charge on non-amortizing operating permit intangible assets.

Estimates of the future performance of our reporting units assume a certain level of revenue and earnings growth over the projection period. The projected revenue and earnings growth is based on various factors and assumptions that we consider to be reasonable, including, but not limited to, growth in the industries served by the Field Services reporting unit, successful implementation of our business and marketing strategies for this reporting unit and continuing favorable market conditions for the customers we serve. Should any of these assumptions turn out to be false and the projected growth not occur for these or other reasons, the reporting units otherwise fail to meet their current financial plans or there are changes to any other key assumptions used in the estimates, the financial performance of these reporting units could result in a future goodwill impairment.

We cannot accurately predict the amount and timing of any impairment of assets. Should the value of goodwill or other intangible assets become impaired as a result of a failure to realize the anticipated benefits and operational performance of acquired operations, our financial condition and results of operations could be adversely impacted.

Risks Relating to our Capital Structure

We may not be able or willing to pay future dividends.

The Company suspended its quarterly dividend, commencing with the second quarter of 2020, to preserve free cash flow and enhance liquidity in response to the COVID-19 pandemic. Our ability to pay dividends is subject to our future financial condition and certain conditions such as continued compliance with covenants contained in the Credit Agreement. Our Board of Directors must also approve any dividends at their sole discretion. Pursuant to the Credit Agreement, we may only declare quarterly or annual dividends if on the date of declaration, no event of default has occurred and no other event or condition has occurred that would constitute an event of default due to the payment of the dividend. Unforeseen events or situations could cause non-compliance with these covenants, or cause the Board of Directors to discontinue or reduce the amount of any future dividend payment.

Future stock issuances could adversely affect common stock ownership interest and rights in comparison with those of other security holders.

Our Board of Directors has the authority to issue additional shares of common stock or preferred stock without stockholder approval. If additional funds are raised through the issuance of equity or securities convertible into common stock, or we use shares of our common stock to pay a portion of the purchase price in any future acquisition, the percentage of ownership of our existing stockholders would be reduced, and these newly issued securities may have rights, preferences or privileges senior to those of existing stockholders. If we issue additional common stock or securities convertible into common stock, such issuance would reduce the proportionate ownership and voting power of each other stockholder. In addition, such stock issuances might result in a reduction of the book value of our common stock.

Anti-takeover provisions in our organizational documents and under Delaware law may impede or discourage a takeover, which could cause the market price of our common stock to decline.

We are a Delaware corporation, and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change in control would be beneficial to our existing stockholders, which, under certain circumstances, could reduce the market price of our common stock. In addition, protective provisions in our Amended and Restated Certificate of Incorporation (the "charter") and Amended and Restated Bylaws or the implementation by our Board of Directors of a stockholder rights plan could prevent a takeover, which could harm our stockholders.

The price of our common stock has fluctuated in the past and this may make it difficult for stockholders to resell shares of common stock at times or may make it difficult for stockholders to sell shares of common stock at prices they find attractive.

The trading price of our common stock may fluctuate widely as a result of a number of factors, many of which are outside our control. In addition, the stock market is subject to fluctuations in share prices and trading volumes that affect the market prices of the shares of many companies. These broad market fluctuations have adversely affected, and may in the future adversely affect, the market price of our common stock. Among the factors that could affect our stock price are:

- changes in financial estimates and buy/sell recommendations by securities analysts or our failure to meet analysts' revenue or earnings estimates;
- actual or anticipated variations in our operating results;
- our earnings releases and financial performance;
- market conditions in our industry and the general state of the securities markets;
- fluctuations in the stock price and operating results of our competitors;

- actions by institutional stockholders;
- investor perception of us and the industry and markets in which we operate;
- general economic conditions in the United States and Canada;
- international disorder and instability in foreign financial markets, including but not limited to potential sovereign defaults; and
- other factors described in "Risk Factors."

There is no guarantee that our warrants will ever be in the money and they may expire worthless.

The exercise price for our warrants is $58.67 per share of common stock, subject to certain restrictions set forth in the Warrant Agreement (as defined below). There is no guarantee that the warrants will ever be in the money prior to their expiration, and as such, the warrants may expire worthless. In addition, our warrants were issued to holders of warrants of NRC prior to the NRC Merger in registered form under that certain Assignment, Assumption and Amendment to the Warrant Agreement, dated as of November 1, 2019, by and between US Ecology, Inc., American Stock Transfer & Trust Company, LLC, NRC and Continental Stock Transfer & Trust Company (the "Warrant Agreement"). The Warrant Agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 65% of the then-outstanding warrants to make any change that adversely affects the interests of the registered holders.

Our indebtedness may limit the amount of cash flow available to invest in the ongoing needs of our business, and our credit agreement restricts our ability to engage in certain corporate and financial transactions.

On April 18, 2017, Predecessor US Ecology entered into a new senior secured credit agreement (as amended, restated, supplemented or otherwise modified through the date hereof, the "Credit Agreement") with Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent for the lenders, swingline lender and issuing lender, and Bank of America, N.A., as an issuing lender, that provides for a $500.0 million, five-year revolving credit facility (the "Revolving Credit Facility"), including a $75.0 million sublimit for the issuance of standby letters of credit and a $40.0 million sublimit for the issuance of swingline loans used to fund short-term working capital requirements. The Credit Agreement also contains an accordion feature whereby Predecessor US Ecology may request up to $200.0 million of additional funds through an increase to the Revolving Credit Facility, through incremental term loans, or some combination thereof. On August 6, 2019 and November 1, 2019, the Credit Agreement was amended to permit and provide for Wells Fargo to lend $450.0 million in incremental terms loans to pay off the existing debt of NRC in connection with the NRC Merger, to pay the fees, costs and expenses in connection with the NRC Merger and to pay down outstanding revolving credit loans under the Revolving Credit Facility. As of December 31, 2020, we had total indebtedness of $792.5 million, comprised of $445.5 million of term loans and $347.0 million of revolving credit loans out of a $500.0 million revolving credit commitment under the Revolving Credit Facility. These revolving credit loans are due upon the earliest to occur of (1) November 1, 2024 (or, with respect to any lender, such later date as requested by us and accepted by such lender), (2) the date of termination of the entire revolving credit commitment (as defined in the Credit Agreement) by us and (3) termination of the Credit Agreement. The term loan is due upon the earliest to occur of (i) November 1, 2026 (or, with respect to any lender, such later date as requested by us and accepted by such lender) and (ii) termination of the Credit Agreement. The Credit Agreement makes us vulnerable to adverse general economic or industry conditions and increases in interest rates, as borrowings under our senior secured credit facilities are at variable rates, and limits our ability to obtain additional financing in the future for working capital or other purposes.

In addition, the Credit Agreement and related ancillary agreements with our lenders contain certain covenants that, among other things, restrict our ability to incur additional indebtedness, pay dividends and make other restricted payments, repurchase shares of outstanding stock, create certain liens and engage in certain types of transactions. Our ability to borrow under the Credit Agreement depends upon our compliance with the restrictions contained in the Credit Agreement and events beyond our control could affect our ability to comply with these covenants.

The Credit Agreement also contains certain financial covenants requiring us to maintain a minimum consolidated interest coverage ratio of 3.00 to 1.00 and a maximum consolidated total net leverage ratio of 4.00 to 1.00. On June 26, 2020, Predecessor US Ecology entered into the third amendment (the "Third Amendment") to the Credit Agreement. Among other things, the Third Amendment amended the Credit Agreement to provide a covenant relief period through the earlier of March 31, 2022 and the date Predecessor US Ecology elects to end such covenant relief period pursuant to the terms therein. During the covenant relief period, the Third Amendment increased Predecessor US Ecology's consolidated total net leverage ratio requirement as of the end of each fiscal quarter to certain ratios above the 4.00 to 1.00 maximum consolidated total net leverage ratio in effect immediately before giving effect to the Third Amendment, subject to compliance with certain restrictions on restricted payments and permitted acquisitions during such covenant relief period. At December 31, 2020, we were in compliance with the financial covenants in the Credit Agreement, as amended by the Third Amendment.

Following the covenant relief period, our financial covenants under the Credit Agreement will revert to their original, pre-Third Amendment levels. As of December 31, 2020, we would not have been in compliance with the financial covenants in the Credit Agreement had the covenant relief period under the Third Amendment not been in effect. A breach of either of the financial covenants would constitute an event of default as defined in the Credit Agreement and, if we are unable to obtain or extend a waiver from our lenders, could result in the acceleration of all borrowings then outstanding. An amendment to the Credit Agreement to decrease the consolidated interest coverage ratio, increase the total net leverage ratio, or both, may result in higher interest rates on outstanding borrowings and therefore higher interest expense, and may not be achievable on terms acceptable to us or at all. We may be unable to satisfy our obligations upon an event of default and we may not be able to refinance our borrowings under the Credit Facility on commercially reasonable terms or at all.

Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative reference rate, may adversely affect interest expense related to our debt.

Amounts drawn under our credit facilities bear interest rates at the election of the borrower, in relation to LIBOR or an alternate base rate. On July 27, 2017, the Financial Conduct Authority in the United Kingdom announced that it would phase out LIBOR as a benchmark by the end of 2021. It is unclear whether new methods of calculating LIBOR will be established such that it continues to exist after 2021. The U.S. Federal Reserve is considering replacing U.S. dollar LIBOR with a newly created index called the Secured Overnight Financing Rate, calculated with a broad set of short-term repurchase agreements backed by treasury securities. Our credit facilities contain certain provisions concerning the possibility that LIBOR may cease to exist, and that an alternative reference rate may be chosen. However, if LIBOR in fact ceases to exist, and no alternative rate is acceptable to the Company or its lenders, amounts drawn under our credit facilities would be subject to the alternate base rate, which may be a higher interest rate than LIBOR which would increase our interest expense. As a result, we may need to renegotiate our credit facilities and may not be able to do so with terms that are favorable to us. The overall financial market may be disrupted as a result of the phase-out or replacement of LIBOR. Disruption in the financial market or the inability to renegotiate the credit facility with favorable terms could have a material adverse effect on our business, financial position, and operating results.

Risks Related to the Jones Act

Our business would be adversely affected if we failed to comply with the Jones Act's restrictions on ownership of our capital stock by non-U.S. Citizens.

A substantial portion of our operations is conducted in the U.S. coastwise trade and is subject to the requirements of the Jones Act. The Jones Act restricts waterborne transportation of merchandise and passengers for hire by water or by land and water, either directly or via a foreign port, between points in the United States and certain of its island territories and possessions to U.S.-flag vessels meeting certain requirements, including ownership and control by U.S. Citizens (within the meaning of the Jones Act). We are responsible for monitoring the non-U.S. Citizen ownership of our common stock and other equity interests to ensure compliance with the Jones Act. We could lose the privilege of owning and operating vessels in the U.S. coastwise trade if non-U.S. Citizens were to own or control, in the aggregate, more than 25% of our common stock or other equity interests in us. Such a loss would have a material adverse effect on our business and results of operations. Violations of the Jones Act would result in us losing eligibility to engage in the U.S. coastwise trade, the imposition of substantial penalties against us, including fines and seizure and forfeiture of our vessels, and/or the temporary

or permanent inability to document our vessels in the United States with coastwise endorsements, any of which could have a material adverse effect on our financial condition and results of operations. Although we currently believe we meet the requirements to engage in the U.S. coastwise trade, and there are provisions in the charter that were designed to assist us in complying with these requirements, there can be no assurance that we will be in compliance with the Jones Act in the future.

Repeal, amendment, suspension or non-enforcement of the Jones Act would result in additional competition for a substantial portion of our services and could have a material adverse effect on our business.

We are subject to the Jones Act, which restricts the transportation of merchandise and passengers for hire by water or by land and water, either directly or via a foreign port, between points in the United States and certain of its island territories and possessions to U.S.-flag vessels that meet certain requirements, including that they are built in the United States and owned by U.S. Citizens (within the meaning of the Jones Act), and manned by predominantly U.S. citizen crews. During the past several years, interest groups have lobbied the U.S. Congress, and legislation has been introduced, to repeal certain provisions of the Jones Act to facilitate foreign-flag vessel competition for trades and cargoes currently reserved for U.S.-flag vessels under the Jones Act. We expect that continued efforts will be made to modify or repeal the Jones Act. In addition, the Secretary of the Department of Homeland Security may waive the requirement for using U.S.-flag vessels with coastwise endorsements in the U.S. coastwise trade in the interest of national defense. In addition, our advantage as a U.S. Citizen operator of Jones Act vessels could be eroded by periodic efforts and attempts by foreign interests to circumvent certain aspects of the Jones Act. In addition, maritime transportation services are currently excluded from the General Agreement on Trade in Services ("GATS") and are the subject of reservations by the United States in NAFTA, the United States-Mexico-Canada Agreement ("USMCA") and other international free trade agreements. If maritime cabotage services were included in the GATS, NAFTA, USMCA or other international trade agreements, or if the restrictions contained in the Jones Act were otherwise repealed, altered or waived, the transportation of cargo and passengers between U.S. ports could be opened to foreign-flag, foreign-built vessels or foreign-owned vessels. To the extent such foreign competition is permitted from vessels built in lower-cost shipyards with promotional foreign tax incentives or favorable tax regimes and crewed by non-U.S. Citizens with lower wages and benefits than U.S. citizens, such competition could have a material adverse effect on our business, financial position, results of operations and cash flows.

Our common stock is subject to restrictions on ownership by non-U.S. Citizens, which could require divestiture by non-U.S. Citizen stockholders and could have a negative impact on the transferability of our common stock, its liquidity and market value, and upon a change of control of the Company.

Certain of our operations are conducted in the U.S. coastwise trade and are governed by U.S. federal laws commonly known as the Jones Act. The Jones Act restricts the transportation of merchandise and passengers for hire by water or by land and water, either directly or via a foreign port, between points in the United States and certain of its island territories and possessions, to U.S.-flag vessels that meet certain requirements, including that they are built in the United States, owned and operated by U.S. Citizens (within the meaning of the Jones Act), and manned by predominantly U.S. Citizen crews. We could lose the privilege of owning and operating vessels in the U.S. coastwise trade and may become subject to penalties and risk seizure and forfeiture of our U.S.-flag vessels if non-U.S. Citizens were to own or control, in the aggregate, more than 25% of any class or series of our capital stock. Such loss would have a material adverse effect on our results of operations.

Our charter authorizes, with respect to any class or series of our capital stock, certain rules, policies and procedures, including procedures with respect to transfer of shares, to assist in monitoring and maintaining compliance with the Jones Act's U.S. citizenship requirements, which may have an adverse effect on holders of shares of our common stock.

In order to provide a reasonable margin for compliance with the Jones Act, the charter contains provisions that limit the aggregate percentage beneficial ownership by non-U.S. Citizens of any class or series of our capital stock (including the common stock) to 24% of the outstanding shares of each such class or series to ensure that ownership by non-U.S. Citizens will not exceed the maximum percentage permitted by the Jones Act (presently 25%).

The aggregate percentage of non-U.S. Citizen ownership of our outstanding common stock is expected to fluctuate based on daily trading and may increase above the 24% maximum permitted percentage. At and during such times that the 24% permitted percentage of shares of common stock held by non-U.S. Citizens is reached, we will be unable to issue any further shares of common stock to non-U.S. Citizens (including any shares issuable upon exercise of the warrants) or permit transfers of common stock to non-U.S. Citizens. Any issuance or transfer of shares in excess of such permitted percentage shall be ineffective against us, and neither we nor our transfer agent are required to register such purported issuance or transfer of shares or be required to recognize the purported transferee or owner as our stockholder for any purpose whatsoever except to exercise our remedies. Any such excess shares in the hands of a non-U.S. Citizen shall not have any voting or dividend rights. In addition, we, in our discretion, are entitled to redeem all or any portion of such shares most recently acquired (as determined by our Board of Directors in accordance with guidelines that are set forth in the charter), by non-U.S. Citizens, in excess of such maximum permitted percentage for such class or series at a redemption price based on a fair market value formula that is set forth in the charter, which is to be paid by the issuance of redemption warrants (the "Redemption Warrants") permitting the holders to receive shares of common stock in the future when the receipt thereof would not violate the charter at an exercise price of $0.01 per share. In the event that we determine that Redemption Warrants would be treated by the USCG as capital stock, or if we are unable to issue the Redemption Warrants for any other reason, we may redeem the excess shares with cash, promissory notes or a combination of both at the discretion of our board of directors.

As a result of these provisions, a purported stockholder who is a non-U.S. Citizen may not receive any return on its investment in any such excess shares it purportedly purchases or owns, as the case may be, and it may sustain a loss. Further, we may have to incur additional indebtedness, or use available cash (if any), to fund all or a portion of such redemption, in which case our financial condition may be materially weakened. The existence and enforcement of these requirements could have an adverse impact on the liquidity or market value of our equity securities in the event that U.S. Citizens were unable to transfer shares in the Company to non-U.S. Citizens. Furthermore, under certain circumstances, this ownership restriction could discourage, delay or prevent a change of control of the Company. So that we may monitor and maintain our compliance with the Jones Act, provisions in the charter permit us to require that owners of any shares of our capital stock provide confirmation of their citizenship. In the event that a person does not submit such documentation to us, those provisions provide us with certain remedies, including the suspension of voting, dividend and distribution rights and treatment of such person as a non-U.S. Citizen unless and until we receive the requested documentation confirming that such person is a U.S. Citizen. As a result of non-compliance with these provisions, an owner of the shares of our common stock may lose significant rights associated with those shares.

If, for any reason, we are unable to effect such a redemption when such ownership of shares by non-U.S. Citizens is in excess of 25% of the common stock, or otherwise prevent non-U.S. Citizens in the aggregate from owning shares in excess of 25% of any class or series of our capital stock, or we fail to exercise our redemption rights because we are unaware that such ownership exceeds such percentage, we will likely be unable to comply with the Jones Act and will likely be required by the applicable governmental authorities to suspend our operations in the U.S. coastwise trade. Any such actions by governmental authorities would have a material adverse effect on our business, financial position, results of operations and cash flows.

General Risk Factors

Our market is highly competitive. Failure to compete successfully could have a material adverse effect on our business, financial condition and results of operations.

We face competition from companies with greater resources than us, companies with closer geographic proximity to waste sites, service offerings we do not provide and that can provide lower pricing than we can in certain instances. An increase in the number or location of commercial treatment or disposal facilities for hazardous or radioactive waste, significant expansion of existing competitor permitted capabilities, acquisitions by competitors or a decrease in the treatment or disposal fees charged by competitors could materially and adversely affect our results of operations. Our business is also heavily affected by waste disposal fees imposed by government agencies. These fees, which vary from state to state and are periodically adjusted, may adversely impact the competitive environment in which we operate.

Adverse economic conditions, government funding or competitive pressures affecting our customers could harm our business.

We serve oil refineries, chemical production plants, steel mills, real estate developers, waste brokers/aggregators serving small manufacturers and other industrial customers that are, or may be, affected by changing economic conditions and competition. These customers may be significantly impacted by deterioration in the general economy and may curtail waste production and/or delay spending on plant maintenance, waste cleanup projects and other discretionary work. Spending by government customers may also be reduced or temporarily suspended due to declining tax revenues that may result from a general deterioration in economic conditions or other federal or state fiscal policy. Factors that can impact general economic conditions and the level of spending by customers include the general level of consumer and industrial spending, increases in fuel and energy costs, residential and commercial real estate and mortgage market conditions, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors affecting spending behavior. Market forces may also compel customers to cease or reduce operations, declare bankruptcy, liquidate or relocate to other countries, any of which could adversely affect our business.

Our operations are significantly affected by the commencement and completion of large and small cleanup projects, potential seasonal fluctuations due to weather, budgetary decisions and cash flow limitations influencing the timing of customer spending for remedial activities, the timing of regulatory agency decisions and judicial proceedings, changes in government regulations and enforcement policies and other factors that may delay or cause the cancellation of cleanup projects. We do not control such factors, which can cause our revenue and income to vary significantly from quarter to quarter and year to year.

If we fail to comply with applicable laws and regulations our business could be adversely affected.

The changing regulatory framework governing our business creates significant risks. We could be held liable if our operations cause contamination of air, groundwater or soil or expose our employees or the public to contamination. Under current law, we may be held liable for damage caused by conditions that existed before we acquired the assets or operations involved. Also, we may be liable if we arrange for the transportation, disposal or treatment of hazardous substances that cause environmental contamination at facilities operated by others, or if a predecessor made such arrangements and we are a successor. Liability for environmental damage could have a material adverse effect on our financial condition, results of operations and cash flows.

Stringent regulations of federal, state or provincial governments have a substantial impact on our business. Local government controls may also apply. Many complex laws, rules, orders and regulatory interpretations govern environmental protection, health, safety, noise, visual impact, odor, land use, zoning, transportation and related matters. Failure to obtain on a timely basis or comply with applicable federal, state, provincial and local governmental regulations, licenses, permits or approvals for our waste treatment and disposal facilities could prevent or restrict our ability to provide certain services, resulting in a potentially significant loss of revenue and earnings. Changes in environmental regulations may require us to make significant capital or other expenditures, or limit operations. Changes in laws or regulations or changes in the enforcement or interpretation of existing laws, regulations or permitted activities may require us to modify existing operating licenses or permits, or obtain additional approvals or limit operations. New governmental requirements that raise compliance standards or require changes in operating practices or technology may impose significant costs and/or limit operations.

Our revenue is primarily generated as a result of requirements imposed on our customers under federal, state, and provincial laws and regulations to protect public health and the environment. If requirements to comply with laws and regulations governing management of PCB, hazardous or radioactive waste were relaxed or less vigorously enforced, demand for our services could materially decrease and our revenues and earnings could be significantly reduced.

We could be subject to significant fines and penalties, and our reputation could be adversely affected, if our businesses, or third parties with whom we have a relationship, were to fail to comply with U.S. or foreign laws or regulations.

Some of our projects and business may be conducted in countries where corruption has historically been prevalent. It is our policy to comply with all applicable anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act (the “FCPA”),

and with applicable local laws of the foreign countries in which we operate, and we monitor our local partners' compliance with such laws as well. Our reputation may be adversely affected if we were reported to be associated with corrupt practices or if we failed to comply with such laws. Such damage to our reputation could adversely affect our ability to grow our business. Additionally, violations of such laws could subject us to significant fines and penalties.

Our participation in multi-employer pension plans may subject us to liabilities that could materially adversely affect our liquidity, cash flows and results of operations.

Certain of the Company's wholly-owned subsidiaries participate in multi-employer defined benefit pension plans under the terms of collective bargaining agreements covering most of the subsidiaries' union employees. To the extent that those plans are underfunded, the Employee Retirement Income Security Act of 1974, as amended by the Multi-Employer Pension Plan Amendments Act of 1980 ("ERISA"), may subject us to substantial liabilities if we withdraw from such multi-employer plans or if they are terminated. Under current law regarding multi-employer defined benefit plans, a plan's termination, an employer's voluntary partial or complete withdrawal from or the mass withdrawal of all contributing employers from, an underfunded multi-employer defined benefit plan requires participating employers to make payments to the plan for their proportionate share of the multi-employer plan's unfunded vested liabilities. Furthermore, the Pension Protection Act of 2006 added new funding rules generally applicable to plan years beginning after 2007 for multi-employer plans that are classified as "endangered," "seriously endangered," or "critical" status. If plans in which we participate are in critical status, benefit reductions may apply and/or we could be required to make additional contributions. Contributions to these funds could also increase as a result of future collective bargaining with the unions, a shrinking contribution base as a result of the insolvency of other companies who currently contribute to these funds, failure of the plan to meet ERISA's minimum funding requirements, lower than expected returns on pension fund assets, or other funding deficiencies. Any of the foregoing events could materially adversely affect our liquidity, cash flows and results of operations.

Based upon the information available to us from plan administrators as of April 30, 2020, certain of the multi-employer pension plans in which we participate are underfunded. The Pension Protection Act requires that underfunded pension plans improve their funding ratios within prescribed intervals based on the level of their underfunding. In addition, if a multi-employer defined benefit plan fails to satisfy certain minimum funding requirements, the Internal Revenue Service may impose a nondeductible excise tax of 5% on the amount of the accumulated funding deficiency for those employers contributing to the fund. We have been notified that certain plans to which our subsidiaries contribute are in "critical" status and these plans may require additional contributions in the form of a surcharge on future benefit contributions required for future work performed by union employees covered by these plans. As a result, we expect our required contributions to these plans to increase in the future. The amount of additional funds we may be obligated to contribute in the future cannot be estimated, as such amounts will be based on future levels of work that require the specific use of the union employees covered by these plans, investment returns and the level of underfunding of such plans.

A cybersecurity incident could negatively impact our business and our relationships with customers.

We use computers in substantially all aspects of our business operations. We also use mobile devices and other online activities to connect with our employees and our customers. Such uses of technology give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. Our business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including customers' personal information, private information about employees, and financial and strategic information about the Company and its business partners. Further, if the Company in the future pursues acquisitions or new initiatives that require expanding or improving our information technologies, this may result in a larger technological presence and corresponding exposure to cybersecurity risk. If we fail to assess and identify cybersecurity risks associated with acquisitions and new initiatives, we may become increasingly vulnerable to such risks. Further, despite these security measures, the Company's computer systems and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Additionally, while we have implemented measures to prevent security breaches and cyber incidents, our preventative measures and incident response efforts may not be entirely effective, and our implementation of various procedures and controls to monitor and mitigate security threats and to increase security for our information, facilities and infrastructure may result in increased capital and operating costs. Costs for insurance may also increase as a result of security threats, and some insurance coverage may become more difficult to obtain, if available at all.

Cybersecurity attacks in particular are becoming more sophisticated. We rely extensively on information technology systems, including internet sites, computer software, data hosting facilities and other hardware and platforms, some of which are hosted by third parties, to assist in conducting our business. Our technologies systems may become the target of cybersecurity attacks, including without limitation malicious software, attempts to gain unauthorized access to data and systems, and other electronic security breaches that could lead to disruptions in critical systems and materially and adversely affect us in a variety of ways: the theft, destruction, loss, misappropriation or release of sensitive and/or confidential information or intellectual property, or interference with our information technology systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage.

Unanticipated changes in our tax provisions or adverse outcomes resulting from examination of our income tax returns could adversely affect our results of operations.

We are subject to income taxes in the United States and various foreign jurisdictions. Our effective income tax rate could be adversely affected by changes in tax laws or interpretations of those tax laws, or by changes in the valuation of our deferred tax assets and liabilities. Additionally, our effective tax rate may be affected by the tax effects of acquisitions or restructuring activities we may undertake, changes in share-based compensation, newly enacted tax legislation and uncertain tax positions we may take in the short term in response to such legislation. Finally, we are subject to the examination of our income tax returns by the Internal Revenue Service in the United States and other tax authorities in the various countries in which we operate, which may result in the assessment of additional income taxes. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. However, unanticipated outcomes from examinations could have a material adverse effect on our business, financial condition and results of operations.

Tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. The U.S. recently enacted significant tax reform, and certain provisions of the new law may adversely affect us. In addition, governmental tax authorities are increasingly scrutinizing the tax positions of companies. If the U.S. or foreign tax authorities of jurisdictions within which we operate change applicable tax laws, our overall taxes could increase, and our business, financial condition or results of operations may be adversely impacted.

Loss of key management or sales personnel could harm our business.

We have an experienced management team including general managers at our operating facilities and rely on the continued service of these senior managers to achieve our objectives. Our objective is to retain our present management and sales teams and identify, hire, train, motivate and retain other highly skilled personnel. The loss of any key management employee or sales personnel could adversely affect our business and results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The following table describes our principal physical properties and facilities at December 31, 2020 owned or leased by us. We believe that our existing properties are in good condition and suitable for conducting our business.

Location	Segment	Function	Own/Lease
Beatty, Nevada	Waste Solutions	Waste treatment and landfill disposal	Lease
Robstown, Texas	Waste Solutions	Waste treatment, landfill disposal and recycling	Own
Grand View, Idaho	Waste Solutions	Waste treatment and landfill disposal	Own
Belleville, Michigan	Waste Solutions	Waste treatment and landfill disposal	Own
Blainville, Québec, Canada	Waste Solutions	Waste treatment and landfill disposal	Own/Lease
Richland, Washington	Waste Solutions	Landfill disposal	Sublease
Winnie, Texas	Waste Solutions	Waste processing and deep-well disposal	Own
Detroit, Michigan	Waste Solutions	Waste treatment	Own
Canton, Ohio	Waste Solutions	Waste treatment and recycling	Own
Harvey, Illinois	Waste Solutions	Waste treatment	Own
York, Pennsylvania	Waste Solutions	Waste treatment	Own
Tulsa, Oklahoma	Waste Solutions	Waste treatment	Own
Romulus, Michigan	Waste Solutions	Recycling	Own
Mt. Airy, North Carolina	Waste Solutions	Waste treatment	Own
Tilbury, Ontario, Canada	Waste Solutions	Waste treatment	Own
Vernon, California	Waste Solutions	Waste treatment	Own
Sulligent, Alabama	Field Services	Field and industrial waste management	Own
Tampa, Florida	Field Services	Field and industrial waste management	Own
Taylor, Michigan	Field Services	Field and industrial waste management	Own
Bayonne, New Jersey	Field Services	Field and industrial waste management	Lease
Atlanta, Georgia	Field Services	Field and industrial waste management	Lease
Wrentham, Massachusetts	Field Services	Field and industrial waste management	Own
Dallas, Texas	Field Services	Field and industrial waste management	Own
Midland, Texas	Field Services	Field and industrial waste management	Own
Kenai, Alaska	Field Services	Field and industrial waste management	Lease
Anchorage, Alaska	Field Services	Field and industrial waste management	Lease
Williston, Vermont	Field Services	Field and industrial waste management	Lease
Portland, Maine	Field Services	Field and industrial waste management	Lease
Kennedy, Texas	Energy Waste	Landfill disposal	Own
Pecos County, Texas	Energy Waste	Landfill disposal	Own
Reagan County, Texas	Energy Waste	Landfill disposal	Own
Boise, Idaho	Corporate	Corporate Headquarters	Lease

In addition to the principal physical properties detailed in the table above, the Company owns or leases a number of smaller (less than 20,000 sq. ft.) properties supporting our Field Services segment.

The following table provides additional information for our facilities with onsite landfills including total acreage owned or controlled by us at each facility, estimated amount of permitted airspace available at each facility, the estimated amount of non-permitted airspace and the estimated life at each facility. All estimates are as of December 31, 2020.

Location	Segment	Total Acreage	Permitted Airspace (Cubic Yards)	Non-Permitted Airspace (Cubic Yards)	Estimated Life (Years)
Beatty, Nevada (1)	Waste Solutions	480	7,708,552	—	41
Robstown, Texas (2)	Waste Solutions	1,425	9,896,978	—	59
Grand View, Idaho (3)	Waste Solutions	1,411	10,015,235	18,100,000	287
Belleville, Michigan (4)	Waste Solutions	455	12,135,887	—	29
Blainville, Québec, Canada (5)	Waste Solutions	350	5,257,026	—	19
Richland, Washington (6)	Waste Solutions	100	20,449	—	35
Karnes County, Texas (7)	Energy Waste	382	4,564,055	—	25
Reagan County, Texas (8)	Energy Waste	645	11,727,106	—	274
Pecos County, Texas (9)	Energy Waste	207	11,198,337	—	135
Total			72,523,625	18,100,000	

(1) Our Beatty, Nevada facility, which began receiving hazardous waste in 1970, is located in the Amargosa Desert approximately 120 miles northwest of Las Vegas, Nevada and approximately 30 miles east of Death Valley, California. The facility operates on 480 acres owned by the state of Nevada. Our operations are governed by an operating agreement with the state of Nevada, executed in April 2016, with an initial term of 20 years (and an optional 20-year extension), and a year-to-year periodic tenancy lease with the State, last amended in April 2007. In 2016, the facility secured permit modifications from the Nevada Division of Environmental Protection and the USEPA authorizing the construction of a new landfill unit at the facility. The first phase of this new landfill was completed in 2017. The state of Nevada assesses disposal fees to fund a dedicated trust account to pay for future closure and post-closure costs.

(2) Our Robstown, Texas facility began operations in 1973. It is located on 240 acres owned by the Company approximately 10 miles west of Corpus Christi, Texas. We own an additional 1,185 acres of adjacent land for future expansion. We also own 240 acres of land five miles west of the facility adjacent to a rail line where we have operated a rail transfer station since 2006. In January 2018, the Texas Commission of Environmental Quality approved our permit for landfill expansion onto 180 acres of our adjacent land, adding approximately 10 million cubic yards, or 30 years, of future airspace.

(3) Our Grand View, Idaho facility, purchased in 2001, is located on 1,252 acres of Company-owned land approximately 60 miles southeast of Boise, Idaho in the Owyhee Desert. We own an additional 159 acres approximately two miles east of the facility that provides a clay source for site operations (liner construction and waste treatment). We also own 189 acres where our rail transfer station is located approximately 30 miles northeast of the disposal facility. This site has two enclosed rail-to-truck waste transfer facilities located adjacent to the main line of the Union Pacific Railroad.

(4) Our Belleville, Michigan facility began operations in 1957 and began disposing of waste in the onsite landfill in 1969. The facility is located on 455 acres owned by the Company approximately 30 miles from Detroit, Michigan. We also own 12 acres of land nine miles from the facility adjacent to a rail line where we have operated a rail transfer station since 1998.

(5) Our Blainville, Québec, Canada facility has been in operation since 1983 and is located approximately 30 miles northwest of Montreal, Québec, Canada. The facility includes an indoor hazardous and industrial waste treatment and storage facility and a rail transfer station located on 25 acres adjacent to a 325 acre disposal site. The treatment processing facility is on land owned by the Company. The disposal site which is adjacent to the owned treatment processing facility is leased from the Province of Québec with a term through 2023. The site is permitted to accept up to 1,125,000 metric tons (1,237,500 U.S. tons) over the five-year permit period ending in May 2023. Of this amount, up to 350,000 metric tons (385,000 U.S. tons) can be accepted as soil. While there are no specific restrictions on waste

soils received from the U.S., waste received from the U.S. is limited to 506,250 metric tons (556,875 U.S. tons) over the five-year permit period. The Province assesses fees to fund a dedicated government trust account to pay for post-closure costs at the disposal site.

(6) Our Richland, Washington LLRW facility has been in operation since 1965 and is located on 100 acres of land leased by the State of Washington from the federal government on the U.S. Department of Energy Hanford Reservation approximately 35 miles west of Richland, Washington. We sublease this property from the State of Washington. The lease between the State of Washington and the federal government expires in 2063. We renewed our sublease with the State in 2005 for ten years with four ten-year renewal options, giving us control of the property until the year 2055 provided that we meet our obligations and operate in a compliant manner. The facility's intended operating life is equal to the period of the sublease. The State assesses user fees for local economic development, state regulatory agency expenses and a dedicated trust account to pay for long-term care after the facility closes. The State maintains separate, dedicated trust funds for future closure and post-closure costs.

(7) Our Karnes County, Texas facility, located in the Permian Basin on 135 acres owned by the Company approximately six miles southwest of Kennedy, Texas, began operations in February 2016. We own an additional 247 acres of adjacent land for future expansion if needed. The commercial disposal facility accepts energy-related waste only and is regulated by the RRC under a five-year permit cycle with renewal issued upon request provided no outstanding operational issues.

(8) Our Reagan County, Texas facility, located in the Permian Basin on 645 acres owned by the Company approximately 30 miles northwest of Big Lake, Texas, began operations in July 2019. The commercial disposal facility accepts energy-related waste only and is regulated by the RRC under a five-year permit cycle with renewal issued upon request provided no outstanding operational issues.

(9) Our Pecos County, Texas facility, located in the Permian Basin on 207 acres owned by the Company approximately 28 miles north of Fort Stockton, Texas, began operations in June 2019. The commercial disposal facility accepts energy-related waste only and is regulated by the RRC under a five-year permit cycle with renewal issued upon request provided no outstanding operational issues.

We also own 640 acres in Andrews County, Texas, located in the Permian Basin approximately 25 miles west of Andrews, Texas. The site is permitted for approximately 11.5 million cubic yards of energy-related waste disposal, however, we have not constructed any landfill capacity at the site as of December 31, 2020. The site is regulated by the RRC under a five-year permit cycle with renewal issued upon request provided no outstanding operational issues.

ITEM 3. LEGAL PROCEEDINGS

In the ordinary course of business, we are involved in judicial and administrative proceedings involving federal, state, provincial or local governmental authorities, including regulatory agencies that oversee and enforce compliance with permits. Fines or penalties may be assessed by our regulators for noncompliance. Actions may also be brought by individuals or groups in connection with permitting of planned facilities, modification or alleged violations of existing permits, or alleged damages suffered from exposure to hazardous substances purportedly released from our operated sites, as well as other litigation. We maintain insurance intended to cover property and damage claims asserted as a result of our operations. Periodically, management reviews and may establish reserves for legal and administrative matters, or other fees expected to be incurred in relation to these matters.

In December 2010, National Response Corporation, a subsidiary of NRC acquired by the Company in the NRC Merger, was named as one of many "Dispersant Defendants" in multi-district litigation, arising out of the explosion of the BP Deepwater Horizon ("BP") oil rig, filed in the U.S. District Court for the Eastern District of Louisiana ("In re Deepwater Horizon" or the "MDL"). The claims against National Response Corporation, and other "Dispersant Defendants," were brought by workers and others who alleged injury arising from post-explosion clean–up efforts, including particularly the use of certain chemical dispersants. In January 2013, the Court approved a Medical Benefits Class Action Settlement, which, among other things, provided for a "class wide" settlement as well as a release of claims against Dispersant Defendants, including National Response Corporation. Further, National Response Corporation successfully moved the

court to dismiss all claims against it based on derivative immunity, as it was acting at the direction of the U.S. Government. In early 2018, BP began asserting an alleged contractual right of indemnity against National Response Corporation and others in post-settlement lawsuits brought by persons who had either chosen not to participate in the class-wide agreement or whose injuries were allegedly manifest after the period covered by the claim submission process. The Company advised BP that it considers the attempt to bring National Response Corporation back into previously settled litigation to be improper and moved for a declaratory judgment that it owes no indemnity or contribution to BP, raising various arguments, including BP's own actions and conduct over the preceding nine years with respect to these claims (including its failure to seek indemnity) and the resultant prejudice to National Response Corporation, BP's waiver of any indemnity, and the court's prior finding that National Response Corporation is entitled to derivative immunity. In response, BP asserted counterclaims against National Response Corporation for a declaratory judgment that National Response Corporation must indemnify BP under certain circumstances and for unjust enrichment. National Response Corporation successfully moved to dismiss the unjust enrichment claim. The parties filed simultaneous judgment on the pleadings briefs in February 2020, and all oppositions were filed on March 16, 2020. On May 4, 2020, the court found in favor of National Response Corporation, and held that the Company is not liable to BP or any back end litigation plaintiffs for any damages related to the Deepwater Horizon oil spill. BP timely appealed the ruling on June 11, 2020. The Company is currently unable to estimate the range of possible losses associated with this proceeding. However, the Company also believes that, were it deemed to have liability arising out of or related to BP's indemnity claims, such liability would be covered by an indemnity by SEACOR Holdings Inc., the former owner of National Response Corporation, in favor of National Response Corporation and its affiliates.

In January 2019, Kevin Sullivan, a driver for NRC from May 1, 2018 to August 22, 2018 filed a class action complaint against NRC in California Superior Court (Kevin Sullivan et. Al. v. National Response Corp., NRC Environmental Services, Inc. and Paul Taveira et al.) alleging the failure by the defendants to provide meal and rest breaks required by California law and requiring employees to work off the clock. Mr. Sullivan's complaint also asserted a claim under the California Labor Code Private Attorneys General Act ("PAGA"), which permits an employee to assert a claim for violations of certain California Labor Code provisions on behalf of all aggrieved employees to recover statutory penalties that could be recovered by the State of California. On April 17, 2019, NRC filed a motion to compel individual arbitration, strike Mr. Sullivan's class action claims and stay the PAGA claim pending the outcome of Mr. Sullivan's individual claim; the court subsequently granted NRC's motion to compel. In response, Mr. Sullivan amended his complaint to dismiss the class claims without prejudice and proceed solely with the PAGA claim. The parties participated in a confidential mediation on August 3, 2020, and reached a settlement resolving the pending PAGA claim. The court issued a Notice of Entry of Judgment on October 30, 2020, approving the parties' settlement. The settlement administrator confirmed that the notices and aggregate settlement payments of $500,000 were paid to aggrieved employees on December 28, 2020, in accordance with the distribution timeline. This matter is resolved.

On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. In addition to initiating and conducting our own investigation into the incident, we fully cooperated with the Idaho Department of Environmental Quality, the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration ("OSHA") to support their comprehensive and independent investigations of the incident. On January 10, 2020, we entered into a settlement agreement with OSHA settling a complaint made by OSHA relating to the incident for $50,000. On January 28, 2020, the Occupational Safety and Health Review Commission issued an order terminating the proceeding relating to such OSHA complaint. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion in excess of our deductibles are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility, may result in the loss of business, profits or customers during the time of such closure. Accordingly, our insurance policies may not fully compensate us for these losses. In November 2020, we commenced a lawsuit against the generator and broker of the waste, the treatment of which we believe contributed to the Grand View explosion, seeking damages in connection with the losses suffered as a result of the incident.

Other than as described above, we are not currently a party to any material pending legal proceedings and are not aware of any other claims that could, individually or in the aggregate, have a materially adverse effect on our financial position, results of operations or cash flows.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

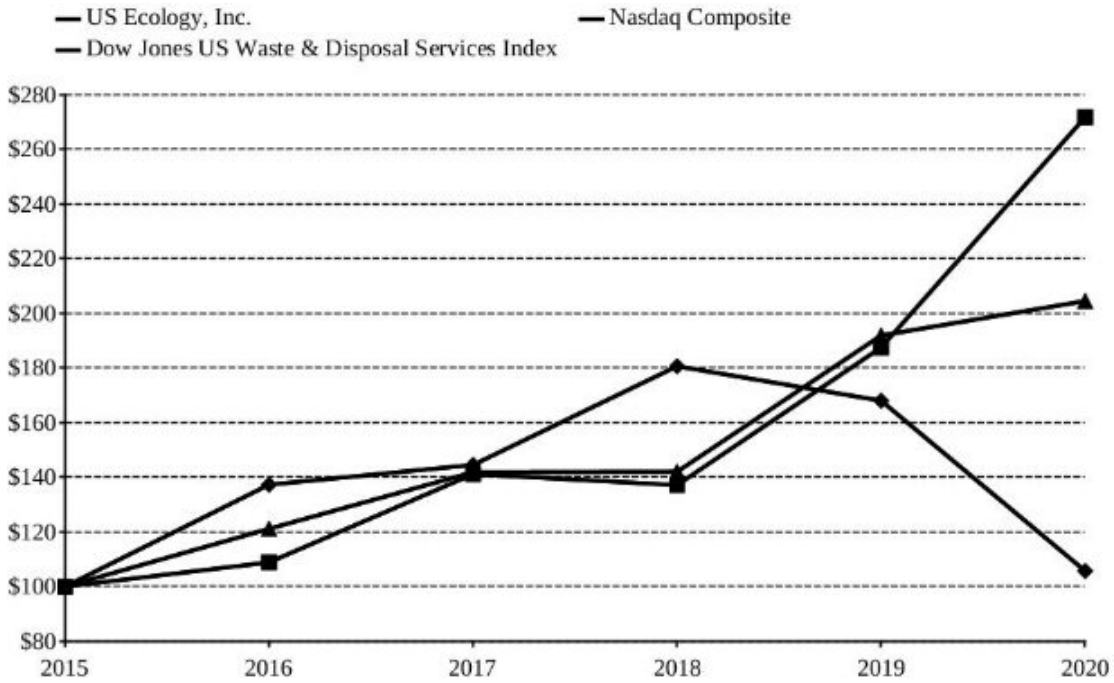
Common Stock

Our common stock is listed on the Nasdaq Global Select Market under the symbol ECOL and our warrants are listed on the Nasdaq Capital Market under the symbol ECOLW. As of February 10, 2021, there were approximately 20,391 beneficial owners of our common stock and one holder of record of our warrants.

Stock Performance Graph

The following graph compares the five-year cumulative total return on our common stock with the comparable five-year cumulative total returns of the Nasdaq Composite Index and Dow Jones Waste & Disposal Services Index for the period from the end of fiscal 2015 to the end of fiscal 2020. The stock price performance shown below is not necessarily indicative of future performance.

Comparison of Cumulative Total Stockholder Return(1) Among
US Ecology, Inc., Nasdaq Composite Index and
Dow Jones Waste & Disposal Services Index



Date	US Ecology, Inc.	Nasdaq Composite	Dow Jones US Waste & Disposal Services Index
December 31, 2015	$ 100.00	$ 100.00	$ 100.00
December 31, 2016	$ 137.27	$ 108.87	$ 121.15
December 31, 2017	$ 144.48	$ 141.13	$ 141.84
December 31, 2018	$ 180.57	$ 137.12	$ 142.00
December 31, 2019	$ 167.97	$ 187.44	$ 191.83
December 31, 2020	$ 105.72	$ 271.64	$ 204.42

(1) Total return assuming $100 invested on December 31, 2015 and reinvestment of dividends on the day they were paid.

The performance graph above is being furnished solely to accompany this Annual Report on Form 10-K pursuant to Item 201(e) of Regulation S-K, is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Securities Authorized for Issuance under Equity Compensation Plans

Information with respect to compensation plans under which our equity securities are authorized for issuance is discussed in Item 12 of Part III of this Annual Report on Form 10-K.

Issuer Purchases of Equity Securities

On June 1, 2016, the Company's Board of Directors authorized the repurchase of $25.0 million of the Company's outstanding common stock. On May 29, 2018, the repurchase program was extended. On December 30, 2019, the Company's Board of Directors' authorized the repurchase of $25.0 million of the Company's outstanding warrants (such dollar amount considered in the aggregate with the dollar amount of shares of common stock repurchased by the Company, if any, under the Company's share repurchase program) as part of the Company's share repurchase program. On June 6, 2020, the Company's Board of Directors authorization to repurchase the Company's outstanding shares of common stock and warrants under the share repurchase program expired. In the future, the Board of Directors may consider reauthorizing the repurchase program at any time, and the timing of any future repurchases of common stock or warrants will be based upon prevailing market conditions and other factors. The Company may from time to time also consider other options for repurchasing some or all of its warrants, including but not limited to a tender offer for all of the outstanding warrants. The

Company repurchased 397,600 shares of common stock in an aggregate amount of $17.3 million under the repurchase program during the year ended December 31, 2020.

The following table summarizes the purchases of shares of our common stock during the year ended December 31, 2020:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs
January 1 to 31, 2020 (1)	17,169	$ 57.91	—	$ 25,000,000
February 1 to 29, 2020	—	—	—	25,000,000
March 1 to 31, 2020	397,600	43.61	17,337,594	7,662,406
April 1 to 30, 2020	—	—	—	7,662,406
May 1 to 31, 2020	—	—	—	7,662,406
June 1 to 30, 2020	—	—	—	—
July 1 to 31, 2020	—	—	—	—
August 1 to 31, 2020	—	—	—	—
September 1 to 30, 2020	—	—	—	—
October 1 to 31, 2020	—	—	—	—
November 1 to 30, 2020	—	—	—	—
December 1 to 31, 2020	—	—	—	—
Total	414,769	$ 44.20	17,337,594	$ —

(1) Represents shares surrendered or forfeited in connection with certain employees' tax withholding obligations related to the vesting of shares of restricted stock.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

We did not engage in any unregistered sales of our securities during the years ended December 31, 2020, 2019 and 2018.

ITEM 6. SELECTED FINANCIAL DATA

This item is no longer required as we have elected to early adopt the changes to Item 301 of Regulation S-K contained in SEC Release No. 33-10890.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

US Ecology is a leading provider of environmental services to commercial and governmental entities. The Company addresses the complex waste management and response needs of its customers, offering treatment, disposal and recycling of hazardous, non-hazardous and radioactive waste, leading emergency response and standby services, and a wide range of complementary field services. US Ecology's focus on safety, environmental compliance and best-in-class customer service enables us to effectively meet the needs of our customers and to build long-lasting relationships.

We have a network of fixed facilities and service centers operating primarily in the United States, Canada, the United Kingdom and Mexico. Our fixed facilities include five RCRA subtitle C hazardous waste landfills, three landfills serving waste streams regulated by the RRC and one LLRW landfill. We also have various other TSDF facilities located throughout the United States. These facilities generate revenue from fees charged to transport, recycle, treat and dispose of waste and to perform various field services for our customers.

Effective in the fourth quarter of 2020, we have made changes to the manner in which we manage our business, make operating decisions and assess our performance. The energy waste business that was acquired through the NRC Merger now comprises our Energy Waste segment. Prior to this change, the energy waste business was included in the Waste Solutions segment (formerly "Environmental Services"). Throughout this Annual Report on Form 10-K, all periods presented have been recast to reflect these changes. Under our new structure our operations are managed in three reportable segments reflecting our internal management reporting structure and nature of services offered as follows:

Waste Solutions (formerly "Environmental Services")—This segment provides safe and compliant specialty waste management services including treatment, disposal, beneficial re-use, and recycling of hazardous, non-hazardous, and other specialty waste at Company-owned treatment, storage, and disposal facilities, excluding the services within our Energy Waste segment.

Field Services (formerly "Field & Industrial Services")—This segment provides safe and compliant logistics and response solutions focusing on "in-field' service offerings through our network of 10-day transfer facilities. Our logistics solutions include specialty waste packaging, collection, transportation, and total waste management. Our response solutions include land and marine based emergency response, OSRO standby compliance, remediation, and industrial services. The Field Services segment completes our vertically integrated model and serves to increase waste volumes into our Waste Solutions segment.

Energy Waste—This segment provides safe and compliant energy waste management and critical support services to up-stream oil and gas customers in the Permian and Eagle Ford basins primarily operating in Texas. Services include spill containment and site remediation, equipment cleaning & maintenance services, specialty equipment rental, including tanks, pumps and containment, safety monitoring and management and transportation and disposal. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations.

In order to provide insight into the underlying drivers of our waste volumes and related T&D revenues, we evaluate period-to-period changes in our T&D revenue for our Waste Solutions segment based on the industry of the waste *generator*, based on North American Industry Classification System ("NAICS") codes. The composition of the Waste Solutions segment T&D revenues by waste generator industry for the years ended December 31, 2020 and 2019 were as follows:

	% of Treatment and Disposal Revenue (1) for the Year Ended December 31,	
Generator Industry	**2020**	**2019**
Chemical Manufacturing	19%	17%
Metal Manufacturing	16%	16%
Broker / TSDF	12%	13%
General Manufacturing	11%	12%
Government	8%	9%
Refining	6%	9%
Utilities	6%	3%
Transportation	4%	5%
Waste Management & Remediation	3%	2%
Mining, Exploration and Production	2%	2%
Other (2)	13%	12%

(1) Excludes all transportation service revenue.

(2) Includes retail and wholesale trade, rate regulated, construction and other industries.

We also categorize our Waste Solutions T&D revenue as either "Base Business" or "Event Business" based on the underlying nature of the revenue source.

Base Business consists of waste streams from ongoing industrial activities and tends to be reoccurring in nature. We define Event Business as non-recurring projects that are expected to equal or exceed 1,000 tons, with Base Business defined as all other business not meeting the definition of Event Business. The duration of Event Business projects can last from a several-week cleanup of a contaminated site to a multiple year cleanup project.

During 2020, Base Business revenue declined 7% compared to 2019. Base Business revenue was approximately 73% of total 2020 T&D revenue, down from 78% in 2019. Our business is highly competitive and no assurance can be given that we will maintain these revenue levels or increase our market share.

A significant portion of our disposal revenue is attributable to discrete Event Business projects which vary widely in size, duration and unit pricing. For the year ended December 31, 2020, approximately 27% of our T&D revenue was derived from Event Business projects. The one-time nature of Event Business, diverse spectrum of waste types received and widely varying unit pricing necessarily creates variability in revenue and earnings. This variability may be influenced by general and industry-specific economic conditions, funding availability, changes in laws and regulations, government enforcement actions or court orders, public controversy, litigation, weather, commercial real estate, closed military bases and other project timing, government appropriation and funding cycles and other factors. The types and amounts of waste received from Base Business also vary from quarter to quarter.

This variability can also cause significant quarter-to-quarter and year-to-year differences in revenue, gross profit, gross margin, operating income and net income. While we pursue many projects months or years in advance of work performance, cleanup project opportunities routinely arise with little or no prior notice. These market dynamics are inherent to the waste disposal business and are factored into our projections and externally communicated business outlook statements. Our projections combine historical experience with identified sales pipeline opportunities, new or expanded service line projections and prevailing market conditions.

We serve oil refineries, chemical production plants, steel mills, waste brokers/aggregators serving small manufacturers and other industrial customers that are generally affected by the prevailing economic conditions and credit environment. Adverse conditions may cause our customers as well as those they serve to curtail operations, resulting in lower waste production and/or delayed spending on off-site waste shipments, maintenance, waste cleanup projects and other work. Factors that can impact general economic conditions and the level of spending by customers include, but are not limited to, consumer and industrial spending, increases in fuel and energy costs, conditions in the real estate and mortgage markets, labor and healthcare costs, access to credit, consumer confidence and other global economic factors affecting spending behavior. Market forces may also induce customers to reduce or cease operations, declare bankruptcy, liquidate or relocate to other countries, any of which could adversely affect our business. To the extent business is either government funded or driven by government regulations or enforcement actions, we believe it is less susceptible to general economic conditions. Spending by government agencies may be reduced due to declining tax revenues resulting from a weak economy or changes in policy. Disbursement of funds appropriated by Congress may also be delayed for various reasons.

Geographical Information

For the year ended December 31, 2020, we derived $835.3 million, or 89%, of our revenue in the United States, $73.3 million, or 8%, of our revenue in Canada, $19.9 million, or 2%, of our revenue in the Europe, Middle East and Africa (“EMEA”) region, and less than 1% of our revenue from other international regions. For the year ended December 31, 2019, we derived $589.1 million, or 86%, of our revenue in the United States, $88.5 million, or 13%, of our revenue in Canada, $5.1 million, or 1%, of our revenue in the EMEA region, and less than 1% of our revenue from other international regions. For the year ended December 31, 2018, we derived $495.2 million or 87% of our revenue in the United States and $70.8 million or 13% of our revenue in Canada.

Additional information about the geographical areas in which our revenues are derived and in which our assets are located is presented in Note 4 and Note 21 to the Consolidated Financial Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of this Annual Report on Form 10-K.

Significant Events

Our results of operations have been affected by certain significant events during the past three fiscal years including, but not limited to:

2020 Events

Impact of the COVID-19 Pandemic: The COVID-19 pandemic continued to affect our business through the fourth quarter of 2020. The impact of temporary closures and staff reductions by industrial facilities has yet to be fully assessed and understood. We have experienced lower waste volumes resulting from these closures, which we expect to continue until industrial facilities resume normal levels of production. We have also experienced, and expect to continue to experience, delays and deferments of industrial cleaning services and some of our field services as our customers limit on site visitation and delay noncritical services based on business conditions. However, we expect the Company's services-based business to remain stable as we are experiencing growth in our small quantity generation services and our emergency response business has seen an increase in COVID-19 decontamination projects.

Our Energy Waste segment has been, and will likely continue to be, adversely impacted as energy companies reduce capital expenditures as a result of downward pressure on oil, natural gas and natural gas liquid ("NGL") prices, which have been exacerbated during the COVID-19 pandemic. In the first half of 2020, oil prices moved downward to historic lows due in part to concerns about the COVID-19 pandemic and its impact on near-term worldwide oil demand and due to the increase in oil production by certain members of the Organization of Petroleum Exporting Countries ("OPEC"). While OPEC agreed in April 2020 to cut production, price recovery has been slow and may not return to pre-2020 levels for the foreseeable future. As a result, customers in the upstream oil and gas exploration industry and some downstream refineries in the energy sector have reduced capital expenditures, which has adversely affected the demand for our energy waste services.

The Company's ability to weather the negative impacts of the COVID-19 pandemic was bolstered by the Company's cost-saving measures implemented during the 2020 fiscal year, including cost control initiatives, a reduction to planned 2020 capital spending of approximately 35% compared to the budgeted capital spending levels and suspension of the Company's quarterly dividend, commencing with the second quarter of 2020 to preserve free cash flow and enhance liquidity. The Company has also taken advantage of the provision of the Coronavirus Aid, Relief and Economic Security Act, which was signed into law on March 27, 2020, to defer of the payment of the employer portion of payroll tax withholdings, which yielded approximately $7.5 million of additional cash savings in 2020. While management continues to closely monitor the impact of the COVID-19 pandemic and government and private sector responses to it in each of the locations and sectors in which the Company does business, we believe that the Company's strategy during the pandemic has increased the Company's resiliency and positioned the Company to take advantage of any post-pandemic recovery. Nevertheless, we expect that the COVID-19 pandemic will continue to affect our results of operations for the foreseeable future. See "Part I, Item 1A – Risk Factors" in this Annual Report on Form 10-K.

Goodwill and Intangible Asset Impairment Charges: During the year ended December 31, 2020 the Company recorded goodwill impairment charges of $363.9 million related to its Energy Waste reporting unit, $14.4 million related to its Field Services reporting unit, $5.5 million related to its International reporting unit and intangible asset impairment charges of $21.1 million on certain Field Services segment operating permit intangible assets. See Note 13 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information.

2019 Events

NRC Merger: On November 1, 2019, the Company completed its merger with NRC, a leader in comprehensive environmental, compliance and waste management services to the marine and rail transportation, general industrial and energy industries. The addition of NRC's substantial service network strengthened and expanded US Ecology's suite of environmental services, including oil and gas exploration and production landfill disposal capabilities, and expanded opportunities to establish US Ecology as a leader in standby and emergency response services. The total merger consideration was $1,008.2 million, net of cash acquired, and was funded through the issuance of equity and with proceeds

under a new $450.0 million seven-year term loan. The NRC Merger affects the comparability of 2019 with previous years, including as follows:

- Revenue and operating losses from the legacy NRC business for the period from November 1, 2019 to December 31, 2019 included in the Company's consolidated statements of operations for the year ended December 31, 2019 were $70.2 million and $9.1 million, respectively.

- We incurred $24.4 million of business development expenses during the year ended December 31, 2019 in connection with the NRC Merger, primarily for due diligence, transaction expenses and business integration purposes.

- We recorded $309.5 million of intangible assets and $577.4 million of goodwill on our Consolidated Balance Sheet as a result of the NRC Merger. Acquired finite-lived intangibles will be amortized over their estimated useful life ranging from two to 16 years. Goodwill and indefinite-lived intangibles are tested for impairment at least annually.

Acquisition of W.I.S.E. Environmental Solutions Inc. (now known as US Ecology Sarnia): On August 1, 2019, the Company acquired US Ecology Sarnia, an equipment rental and waste services company based in Sarnia, Ontario, Canada. The total purchase price was 23.5 million Canadian dollars, which translated to $17.9 million at the time of the transaction. We recorded $6.2 million of intangible assets and $7.7 million of goodwill on the consolidated balance sheets as a result of the acquisition. Amortizing intangible assets will be amortized over a weighted average life of approximately 14 years. The acquisition of US Ecology Sarnia was not material to our consolidated financial position or results of operations.

2018 Events

Explosion at Grand View, Idaho Facility: On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. The facility resumed limited operations in February 2019 and regained additional capabilities throughout the remainder of 2019. We expect the completion of the construction of a new treatment building and resumption of full capabilities in late 2020. In addition to initiating and conducting our own investigation into the incident, we fully cooperated with IDEQ, the USEPA and OSHA to support their comprehensive and independent investigations of the incident. On January 10, 2020, we entered into a settlement agreement with OSHA settling a complaint made by OSHA relating to the incident for $50,000. On January 28, 2020, the Occupational Safety and Health Review Commission issued an order terminating the proceeding relating to such OSHA complaint. We have not otherwise been named as a defendant in any action relating to the incident. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion, in excess of our deductibles, are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility, may result in the loss of business, profits or customers during the time of such closure. Accordingly, our insurance policies may not fully compensate us for these losses.

Acquisition of Ecoserv Industrial Disposal, LLC: On November 14, 2018, the Company acquired Ecoserv Industrial Disposal, LLC ("Winnie"), which provides non-hazardous industrial wastewater disposal solutions and employs deep-well injection technology in the southern United States. The total purchase price was $87.2 million. We recorded $66.5 million of intangible assets and $16.4 million of goodwill on the consolidated balance sheets as a result of the acquisition. Amortizing intangible assets will be amortized over a weighted average life of approximately 52 years. The acquisition of Winnie was not material to our consolidated financial position or results of operations either individually or when aggregated with other acquisitions completed in 2018.

Acquisition of ES&H of Dallas, LLC: On August 31, 2018, the Company acquired ES&H of Dallas, LLC ("ES&H Dallas"), which provides emergency and spill response, light industrial services and transportation and logistics for waste disposal and recycling from locations in Dallas and Midland, Texas. The total purchase price was $21.3 million. We recorded $4.2

million of intangible assets and $7.1 million of goodwill on the consolidated balance sheets as a result of the acquisition. Amortizing intangible assets will be amortized over a weighted average life of approximately 13 years. The acquisition of ES&H Dallas was not material to our consolidated financial position or results of operations either individually or when aggregated with other acquisitions completed in 2018.

Goodwill and Intangible Asset Impairment Charges: Based on the results of the Company's interim assessment of the goodwill and intangible assets of our Mobile Recycling reporting unit, we recorded a $1.4 million goodwill impairment charge and impairment charges of $1.8 million and $454,000 on non-amortizing intangible assets and amortizing intangible assets, respectively, associated with our Mobile Recycling business in the third quarter of 2018. See Note 13 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information.

Results of Operations

Our operating results and percentage of revenues for the years ended December 31, 2020, 2019 and 2018 were as follows:

	Year Ended December 31,						2020 vs. 2019		2019 vs. 2018	
$s in thousands	**2020**	**%**	**2019**	**%**	**2018**	**%**	**$ Change**	**% Change**	**$ Change**	**% Change**
Revenue										
Waste Solutions	$ 425,413	46 %	$ 440,547	64 %	$ 400,678	71 %	$ (15,134)	(3)%	$ 39,869	10 %
Field Services	473,754	51 %	232,402	34 %	165,250	29 %	241,352	104 %	67,152	41 %
Energy Waste	34,687	3 %	12,560	2 %	—	n/m %	22,127	176 %	12,560	n/m
Total	$ 933,854	100 %	$ 685,509	100 %	565,928	100 %	$ 248,345	36 %	119,581	21 %
Gross Profit										
Waste Solutions	$ 161,282	38 %	$ 170,992	39 %	147,475	37 %	$ (9,710)	(6)%	23,517	16 %
Field Services	82,266	17 %	35,007	15 %	22,619	14 %	47,259	135 %	12,388	55 %
Energy Waste	1,501	4 %	3,835	31 %	—	n/m	(2,334)	(61)%	3,835	n/m
Total	$ 245,049	26 %	$ 209,834	31 %	170,094	30 %	$ 35,215	17 %	39,740	23 %
Selling, General & Administrative Expenses										
Waste Solutions	$ 28,814	7 %	$ 16,059	4 %	22,542	6 %	$ 12,755	79 %	(6,483)	(29)%
Field Services	58,027	12 %	23,774	10 %	10,742	7 %	34,253	144 %	13,032	121 %
Energy Waste	24,249	70 %	3,612	29 %	—	n/m	20,637	571 %	3,612	n/m
Corporate	89,977	n/m	97,678	n/m	59,056	n/m	(7,701)	(8)%	38,622	65 %
Total	$ 201,067	22 %	$ 141,123	21 %	92,340	16 %	$ 59,944	42 %	48,783	53 %
Adjusted EBITDA										
Waste Solutions	$ 174,385	41 %	$ 184,133	42 %	160,179	40 %	$ (9,748)	(5)%	23,954	15 %
Field Services	69,869	15 %	26,707	11 %	18,457	11 %	43,162	162 %	8,250	45 %
Energy Waste	1,157	3 %	3,626	29 %	—	n/m	(2,469)	(68)%	3,626	n/m
Corporate	(75,252)	n/m	(65,100)	n/m	(53,556)	n/m	(10,152)	16 %	(11,544)	22 %
Total	$ 170,159	18 %	$ 149,366	22 %	$ 125,080	22 %	$ 20,793	14 %	$ 24,286	19 %

Management uses Adjusted EBITDA as a financial measure to assess segment performance. Adjusted EBITDA is defined as net (loss) income before interest expense, interest income, income tax expense, depreciation, amortization, share-based compensation, accretion of closure and post-closure liabilities, foreign currency gain/loss, non-cash property and equipment impairment charges, non-cash goodwill and intangible asset impairment charges, gain on property insurance recoveries, business development and integration expenses and other income/expense. The reconciliation of Net (loss) income to Adjusted EBITDA for the years ended December 31, 2020, 2019 and 2018 is as follows:

	Year Ended December 31,			2020 vs. 2019		2019 vs. 2018	
$s in thousands	**2020**	**2019**	**2018**	**$ Change**	**% Change**	**$ Change**	**% Change**
Net (loss) income	$ (389,359)	$ 33,140	$ 49,595	$ (422,499)	(1,275)%	$ (16,455)	(33)%
Income tax (benefit) expense	(4,242)	16,659	15,263	(20,901)	(125)%	1,396	9 %
Interest expense	32,595	19,239	12,130	13,356	69 %	7,109	59 %
Interest income	(258)	(605)	(215)	347	(57)%	(390)	181 %
Foreign currency loss (gain)	1,134	733	(55)	401	55 %	788	(1,433)%
Other income	(788)	(455)	(2,630)	(333)	73 %	2,175	(83)%
Property and equipment impairment charges	—	25	—	(25)	(100)%	25	n/m
Goodwill and intangible asset impairment charges	404,900	—	3,666	404,900	n/m	(3,666)	(100)%
Depreciation and amortization of plant and equipment	66,561	41,423	29,207	25,138	61 %	12,216	42 %
Amortization of intangible assets	37,344	15,491	9,645	21,853	141 %	5,846	61 %
Share-based compensation	6,651	5,544	4,366	1,107	20 %	1,178	27 %
Accretion and non-cash adjustment of closure & post-closure liabilities	4,000	4,388	3,707	(388)	(9)%	681	18 %
Gain on property insurance recoveries	—	(12,366)	(347)	12,366	(100)%	(12,019)	3,464 %
Business development and integration expenses	11,621	26,150	748	(14,529)	(56)%	25,402	3,396 %
Adjusted EBITDA	$ 170,159	$ 149,366	$ 125,080	$ 20,793	14 %	$ 24,286	19 %

Adjusted EBITDA is a complement to results provided in accordance with accounting principles generally accepted in the United States (“GAAP”) and we believe that such information provides additional useful information to analysts, stockholders and other users to understand the Company’s operating performance. Since Adjusted EBITDA is not a

measurement determined in accordance with GAAP and is thus susceptible to varying calculations, Adjusted EBITDA as presented may not be comparable to other similarly titled measures of other companies. Items excluded from Adjusted EBITDA are significant components in understanding and assessing our financial performance. Adjusted EBITDA should not be considered in isolation or as an alternative to, or substitute for, net (loss) income, cash flows generated by operations, investing or financing activities, or other financial statement data presented in the consolidated financial statements as indicators of financial performance or liquidity.

Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or a substitute for analyzing our results as reported under GAAP. Some of the limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect our interest expense, or the requirements necessary to service interest or principal payments on our debt;
- Adjusted EBITDA does not reflect our income tax expenses or the cash requirements to pay our taxes;
- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Adjusted EBITDA does not reflect our business development and integration expenses.

2020 Compared to 2019

Revenue

Total revenue increased 36% to $933.9 million in 2020, compared with $685.5 million in 2019. The acquired NRC operations contributed $318.7 million of total revenue in 2020 compared with $70.2 million of total revenue for our period of ownership in 2019. Excluding NRC operations, total revenue was $615.2 million in 2020, compared with $615.3 million in 2019.

Waste Solutions

Waste Solutions segment revenue decreased 3% to $425.4 million in 2020, compared to $440.5 million in 2019. T&D revenue decreased 1% in 2020 compared to 2019, primarily as a result of a 7% decrease in Base Business revenue and a 20% increase in project-based Event Business revenue. Transportation and logistics service revenue decreased 12% in 2020 compared to 2019, reflecting Event Business projects utilizing less of the Company's transportation and logistics services. Total tons of waste disposed of or processed across all of our facilities decreased 13% in 2020 compared to 2019.

T&D revenue from recurring Base Business waste generators decreased 7% in 2020 compared to 2019 and comprised 73% of total T&D revenue. The decrease in Base Business T&D revenue compared to the prior year primarily reflects lower T&D revenue from the refining, metal manufacturing, broker/TSDF, chemical manufacturing and general manufacturing industry groups, partially offset by an increase in Base Business T&D revenue from the Other industry group.

T&D revenue from Event Business waste generators increased 20% in 2020 compared to 2019 and comprised 27% of total T&D revenue. The increase in Event Business T&D revenue compared to the prior year primarily reflects higher T&D revenue from the utilities, chemical manufacturing, metal manufacturing and waste management & remediation industry groups, partially offset by decreases in Event Business T&D revenue from the refining and transportation industry groups.

The following table summarizes combined Base Business and Event Business T&D revenue growth, within the Waste Solutions segment, by waste generator industry for 2020 compared to 2019:

	T&D Revenue Growth 2020 vs. 2019
Utilities	88%
Waste Management & Remediation	45%
Other	7%
Chemical Manufacturing	2%
Government	-2%
General Manufacturing	-2%
Metal Manufacturing	-3%
Mining, Exploration & Production	-4%
Broker / TSDF	-10%
Transportation	-15%
Refining	-34%

Field Services

Field Services segment revenue increased 104% to $473.8 million in 2020 compared with $232.4 million in 2019. The acquired NRC operations contributed $283.9 million of segment revenue in 2020, compared to $57.7 million of segment revenue for our period of ownership in 2019. Excluding NRC operations, segment revenue increased 9% to $189.9 million in 2020, compared with $174.7 million in 2019. The increase in Field Services segment revenue (excluding NRC) is primarily attributable to higher revenues from our Small Quantity Generation, Emergency Response, Total Waste Management and Remediation business lines, partially offset by lower revenues from our Transportation and Logistics and Industrial Services business lines.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment revenue was $34.7 million in 2020 compared with $12.6 million for our period of ownership in 2019.

Gross Profit

Total gross profit increased 17% to $245.0 million in 2020, up from $209.8 million in 2019. Total gross margin was 26% in 2020 compared with 31% in 2019. The acquired NRC operations contributed $56.5 million of total gross profit in 2020 compared with $14.0 million of total gross profit for our period of ownership in 2019. Excluding NRC operations, total gross profit decreased 4% to $188.5 million in 2020, compared with $195.8 million in 2019. Excluding NRC operations, total gross margin was 31% in 2020 compared with 32% in 2019.

Waste Solutions

Waste Solutions segment gross profit decreased 6% to $161.3 million in 2020, down from $171.0 million in 2019. Total segment gross margin was 38% in 2020 compared with 39% in 2019. Waste Solutions segment gross profit in 2019 includes $7.0 million in business interruption insurance recoveries for lost profits related to hurricane damage at our Robstown, Texas facility in 2017 and the incident at our Grand View, Idaho facility in the fourth quarter of 2018. T&D gross margin was 42% for 2020 compared with 45% for 2019.

Field Services

Field Services segment gross profit increased 135% to $82.3 million in 2020, up from $35.0 million in 2019. Total segment gross margin was 17% for 2020 compared with 15% for 2019. The acquired NRC operations contributed $55.0 million of

segment gross profit in 2020 compared with $10.2 million of segment gross profit for our period of ownership in 2019. Excluding NRC operations, segment gross profit increased 10% to $27.3 million in 2020, compared with $24.8 million in 2019. Excluding NRC operations, segment gross margin was 14% in both 2020 and 2019.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment gross profit was $1.5 million in 2020 compared with $3.8 million for our period of ownership in 2019. Total segment gross margin was 4% in 2020 compared with 31% for our period of ownership in 2019. The decrease in segment gross margin was attributable to a less favorable mix of fixed verses variable costs on lower revenues in 2020 compared to our period of ownership in 2019.

Selling, General and Administrative Expenses ("SG&A")

Total SG&A increased to $201.1 million, or 22% of total revenue, in 2020 compared with $141.1 million, or 21% of total revenue, in 2019. The acquired NRC operations contributed $83.4 million of SG&A in 2020 compared with $23.1 million of SG&A for our period of ownership in 2019. Excluding NRC operations, total SG&A was $117.7 million, or 19% of total revenue, in 2020 compared with $118.1 million, or 19% of total revenue, in 2019.

Waste Solutions

Waste Solutions segment SG&A increased 79% to $28.8 million, or 7% of segment revenue, in 2020 compared with $16.1 million, or 4% of segment revenue, in 2019. The increase in Waste Solutions segment SG&A primarily reflects property insurance recoveries of $12.4 million recognized in 2019 related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018 as well as higher insurance costs and higher losses on disposal of fixed assets in 2020 compared to 2019, partially offset by higher insurance proceeds for damaged property and equipment and lower employee incentive compensation in 2020 compared to 2019.

Field Services

Field Services segment SG&A increased 144% to $58.0 million, or 12% of segment revenue, in 2020 compared with $23.8 million, or 10% of segment revenue, in 2019. The acquired NRC operations contributed $42.3 million of segment SG&A in 2020 compared with $8.6 million of segment SG&A for our period of ownership in 2019. Excluding NRC operations, segment SG&A increased to $15.7 million, or 8% of segment revenue, in 2020 compared with $15.2 million, or 9% of segment revenue, in 2019. The increase in Field Services segment SG&A (excluding NRC) primarily reflects higher property rental costs, higher intangible asset amortization expense, higher property tax expenses and higher employee labor costs in 2020 compared to 2019, partially offset by lower travel-related expenses in 2020 compared to 2019.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment SG&A was $24.2 million, or 70% of segment revenue, in 2020 compared with $3.6 million, or 29% of segment revenue, for our period of ownership in 2019. The increase in segment SG&A as a percentage of segment revenue is attributable to a less favorable mix of fixed verses variable costs on lower revenues in 2020 compared to our period of ownership in 2019.

Corporate

Corporate SG&A was $90.0 million, or 10% of total revenue, in 2020 compared with $97.7 million, or 14% of total revenue, in 2019. The acquired NRC operations contributed $16.8 million of Corporate SG&A in 2020 compared with $10.8 million of Corporate SG&A for our period of ownership in 2019. Excluding NRC operations, Corporate SG&A

decreased to $73.2 million, or 12% of total revenue, in 2020 compared with $86.8 million, or 14% of total revenue, in 2019. The decrease in Corporate SG&A (excluding NRC) primarily reflects lower business development and integration expenses, the recognition of a favorable legal settlement of $2.5 million in 2020 for the reimbursement of health insurance related overcharges in prior years and lower travel related expenses in 2020 compared to 2019, partially offset by higher labor and incentive compensation costs, higher information technology related expenses and higher insurance costs in 2020 compared to 2019.

Components of Adjusted EBITDA

Income tax expense

Our effective income tax rate for 2020 was 1.1% compared to 33.5% in 2019. The decrease was primarily due to non-deductible goodwill impairment charges, partially offset by tax benefit on losses.

Interest expense

Interest expense was $32.6 million in 2020 compared with $19.2 million in 2019. The increase is the result of higher outstanding debt levels primarily attributable to our new $450.0 million Term Loan used to refinance the indebtedness of NRC and pay transaction expenses incurred in connection with the NRC Merger, as well as higher borrowings on our Revolving Credit Facility, primarily used to fund share repurchases in the first quarter of 2020, partially offset by the impact of lower interest rates in 2020 compare to 2019. See Note 16 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information about the Company's debt.

Foreign currency loss (gain)

We recognized a $1.1 million non-cash foreign currency loss in 2020 compared with a $733,000 non-cash foreign currency loss in 2019. Foreign currency gains and losses reflect changes in business activity conducted in a currency other than the USD, our functional currency. Additionally, we established intercompany loans with certain of our Canadian subsidiaries, whose functional currency is the Canadian dollar ("CAD") as part of a tax and treasury management strategy allowing for repayment of third-party bank debt. These intercompany loans are payable by our Canadian subsidiaries to US Ecology in CAD requiring us to revalue the outstanding loan balance through our statements of operations based on USD/CAD currency movements from period to period. At December 31, 2020, we had $32.9 million of intercompany loans subject to currency revaluation.

Other income

Other income was $788,000 in 2020 compared with other income of $455,000 in 2019.

Goodwill and intangible asset impairment charges

During the year ended December 31, 2020 the Company recorded goodwill impairment charges of $363.9 million related to its Energy Waste reporting unit, $14.4 million related to its Field Services reporting unit, $5.5 million related to its International reporting unit and intangible asset impairment charges of $21.1 million on certain operating permit intangible assets. See Note 13 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information.

Depreciation and amortization of plant and equipment

Depreciation and amortization expense increased 61% to $66.6 million in 2020 compared with $41.4 million in 2019. The acquired NRC operations contributed $28.1 million of depreciation and amortization expense in 2020 compared with $5.5 million of depreciation and amortization expense for our period of ownership in 2019. Excluding NRC operations, depreciation and amortization expense was $38.5 million in 2020 compared with $35.9 million in 2019, primarily reflecting incremental depreciation expense on plant and equipment assets placed in service in 2020.

Amortization of intangibles

Intangible assets amortization expense increased 141% to $37.3 million in 2020 compared with $15.5 million in 2019. The acquired NRC operations contributed $25.4 million in 2020 compared with $3.9 million of intangible assets amortization expense for our period of ownership in 2019. Excluding NRC operations, intangible assets amortization expense was $11.9 million in 2020 compared with $11.6 million in 2019.

Share-based compensation

Share-based compensation expense increased 20% to $6.7 million in 2020, compared with $5.5 million 2019, primarily reflecting incremental share-based compensation associated with replacement restricted stock units issued in connection with the NRC Merger.

Accretion and non-cash adjustment of closure and post-closure liabilities

Accretion and non-cash adjustment of closure and post-closure liabilities decreased 9% to $4.0 million in 2020 compared with $4.4 million in 2019, primarily reflecting higher favorable non-cash adjustments to post-closure liabilities recorded in 2019 due to changes in cost estimates and timing associated with closed sites.

Gain on property insurance recoveries

The Company recognized gains on property-related insurance recoveries of $12.4 million in 2019 related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018.

Business development and integration expenses

Business development and integration expenses decreased to $11.6 million in 2020, compared to $26.2 million in 2019. Business development and integration expenses in 2020 were primarily related to post-merger integration expenses associated with the NRC Merger. Business development and integration expenses in 2019 included $24.4 million of pre-acquisition business development costs and post-acquisition integration expenses associated with the NRC Merger.

2019 Compared to 2018

Revenue

Total revenue increased 21% to $685.5 million in 2019, compared with $565.9 million in 2018. The acquired NRC operations contributed $70.2 million of total revenue for our period of ownership in 2019. Excluding NRC operations, total revenue increased 9% to $615.3 million in 2019, compared with $565.9 million in 2018.

Waste Solutions

Waste Solutions segment revenue increased 10% to $440.5 million in 2019, compared to $400.7 million in 2018. T&D revenue increased 12% in 2019 compared to 2018, primarily as a result of a 8% increase in Base Business revenue and a 19% increase in project-based Event Business revenue. 2019 transportation and logistics service revenue (excluding NRC) was consistent with 2018. Tons of waste disposed of or processed increased 34% in 2019 compared to 2018, primarily reflecting incremental volumes disposed at our Winnie, Texas deep-well facility that was acquired in the fourth quarter of 2018 as well as a 6% increase in tons of waste disposed of or processed at our other facilities in 2019 compared to 2018.

T&D revenue from recurring Base Business waste generators increased 8% in 2019 compared to 2018 and comprised 78% of total T&D revenue. The increase in Base Business T&D revenue compared to the prior year primarily reflects higher T&D revenue from the broker/TSDF, transportation, “Other,” general manufacturing and government industry groups, partially offset by lower T&D revenue from the refining industry group.

T&D revenue from Event Business waste generators increased 19% in 2019 compared to 2018 and comprised 22% of total T&D revenue. The increase in Event Business T&D revenue compared to the prior year primarily reflects higher T&D revenue from the government, transportation, chemical manufacturing and metal manufacturing industry groups, partially offset by lower T&D revenue from the "Other" industry group.

The following table summarizes combined Base Business and Event Business T&D revenue growth, within the Waste Solutions segment, by waste generator industry for 2019 compared to 2018:

	T&D Revenue Growth 2019 vs. 2018
Transportation	110%
Government	42%
Mining, Exploration & Production	19%
Broker / TSDF	12%
Metal Manufacturing	11%
Chemical Manufacturing	9%
General Manufacturing	5%
Utilities	1%
Other	-2%
Refining	-6%
Waste Management & Remediation	-25%

Field Services

Field Services segment revenue increased 41% to $232.4 million in 2019 compared with $165.3 million in 2018. The acquired NRC operations contributed $57.7 million of segment revenue for our period of ownership in 2019. Excluding NRC operations, segment revenue increased 6% to $174.7 million in 2019, compared with $165.3 million in 2018. The increase in Field Services segment revenue (excluding NRC) is primarily attributable to higher Transportation and Logistics revenues, growth in our Emergency Response business line primarily as a result of our acquisition of ES&H Dallas in the third quarter of 2018 and higher revenues from our Small Quantity Generation business line, partially offset by lower revenues from our Total Waste Management and Industrial Services business lines.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment revenue was $12.6 million for our period of ownership in 2019.

Gross Profit

Total gross profit increased 23% to $209.8 million in 2019, up from $170.1 million in 2018. Total gross margin was 31% in 2019 compared with 30% in 2018. The acquired NRC operations contributed $14.0 million of total gross profit for our period of ownership in 2019. Excluding NRC operations, total gross profit increased 15% to $195.8 million in 2019, compared with $170.1 million in 2018. Excluding NRC operations, total gross margin was 32% in 2019 compared with 30% in 2018.

Waste Solutions

Waste Solutions segment gross profit increased 16% to $171.0 million in 2019, up from $147.5 million in 2018. Total segment gross margin was 39% in 2019 compared with 37% in 2018. Waste Solutions segment gross profit in 2019 includes $7.0 million in business interruption insurance recoveries for lost profits related to hurricane damage at our Robstown, Texas facility in 2017 and the incident at our Grand View, Idaho facility in the fourth quarter of 2018. T&D gross margin was 45% for 2019 compared with 42% for 2018.

Field Services

Field Services segment gross profit increased 55% to $35.0 million in 2019, up from $22.6 million in 2018. Total segment gross margin was 15% for 2019 compared with 14% for 2018. The acquired NRC operations contributed $10.2 million of segment gross profit for our period of ownership in 2019. Excluding NRC operations, segment gross profit increased 10% to $24.8 million in 2019, compared with $22.6 million in 2018. Excluding NRC operations, segment gross margin was 14% in both 2019 and 2018.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment gross profit was $3.8 million for our period of ownership in 2019. Total segment gross margin was 31% for our period of ownership in 2019.

Selling, General and Administrative Expenses ("SG&A")

Total SG&A increased to $141.1 million, or 21% of total revenue, in 2019 compared with $92.3 million, or 16% of total revenue, in 2018. The acquired NRC operations contributed $23.1 million of SG&A for our period of ownership in 2019. Excluding NRC operations, total SG&A increased to $118.0 million, or 19% of total revenue, in 2019 compared with $92.3 million, or 16% of total revenue, in 2018.

Waste Solutions

Waste Solutions segment SG&A decreased 29% to $16.1 million, or 4% of segment revenue, in 2019 compared with $22.5 million, or 6% of segment revenue, in 2018. The decrease in Waste Solutions segment SG&A primarily reflects property insurance recoveries of $12.4 million recognized in 2019 related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018, partially offset by higher insurance costs, higher intangible asset amortization expense and higher labor and incentive compensation costs.

Field Services

Field Services segment SG&A increased 121% to $23.8 million, or 10% of segment revenue, in 2019 compared with $10.7 million, or 7% of segment revenue, in 2018. The acquired NRC operations contributed $8.6 million of segment SG&A for our period of ownership in 2019. Excluding NRC operations, segment SG&A increased to $15.2 million, or 9% of segment revenue, in 2019 compared with $10.7 million, or 7% of segment revenue, in 2018. The increase in Field Services segment SG&A (excluding NRC) primarily reflects incremental costs associated with new facilities.

Energy Waste

Our Energy Waste segment was added subsequent to, and as a result of, the NRC Merger on November 1, 2019. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations. Energy Waste segment SG&A was $3.6 million, or 29% of segment revenue, for our period of ownership in 2019.

Corporate

Corporate SG&A was $97.7 million, or 14% of total revenue, in 2019 compared with $59.1 million, or 10% of total revenue, in 2018. The acquired NRC operations contributed $10.9 million of Corporate SG&A for our period of ownership in 2019. Excluding NRC operations, Corporate SG&A increased to $86.8 million, or 14% of total revenue, in 2019 compared with $59.1 million, or 10% of total revenue, in 2018. The increase in Corporate SG&A (excluding NRC) primarily reflects higher business development and integration expenses (including $17.0 million of expenses related to the NRC Merger), higher labor and incentive compensation costs and higher information technology related expenses in 2019 compared to 2018.

Components of Adjusted EBITDA

Income tax expense

Our effective income tax rate for 2019 was 33.5% compared to 23.5% in 2018. The increase was primarily the result of an increase in non-deductible transaction expenses incurred as a result of the NRC Merger, and the implementation of certain tax planning strategies in 2018 that resulted in a one-time reduction to the 2018 effective income tax rate.

Interest expense

Interest expense was $19.2 million in 2019 compared with $12.1 million in 2018. The increase is the result of higher outstanding debt levels primarily attributable to our new $450.0 million Term Loan used to refinance the indebtedness of NRC and pay transaction expenses incurred in connection with the NRC Merger. See Note 16 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information about the Company's debt.

Foreign currency gain (loss)

We recognized a $733,000 non-cash foreign currency loss in 2019 compared with a $55,000 non-cash foreign currency gain in 2018. Foreign currency gains and losses reflect changes in business activity conducted in a currency other than the USD, our functional currency. Additionally, we established intercompany loans with certain of our Canadian subsidiaries, whose functional currency is the Canadian dollar ("CAD") as part of a tax and treasury management strategy allowing for repayment of third-party bank debt. These intercompany loans are payable by our Canadian subsidiaries to US Ecology in CAD requiring us to revalue the outstanding loan balance through our statements of operations based on USD/CAD currency movements from period to period. At December 31, 2019, we had $31.5 million of intercompany loans subject to currency revaluation.

Other income

Other income was $455,000 in 2019 compared with other income of $2.6 million in 2018. Other income for 2018 includes a $2.0 million gain on the issuance of a property easement on a portion of unutilized Company-owned land at one of our operating facilities.

Impairment charges

Based on the results of our 2018 interim assessment of the goodwill and intangible assets of our Mobile Recycling reporting unit, which is part of our Waste Solutions segment, we recorded impairment charges of $3.7 million in the third quarter of 2018. See Note 13 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information on these impairment charges.

Depreciation and amortization of plant and equipment

Depreciation and amortization expense increased 42% to $41.4 million in 2019 compared with $29.2 million in 2018. The acquired NRC operations contributed $5.5 million of depreciation and amortization expense for our period of ownership in 2019. Excluding NRC operations, depreciation and amortization expense was $35.9 million in 2019 compared with $29.2 million in 2018, primarily reflecting additional depreciation expense on assets placed in service, including assets associated with the ES&H Dallas, Winnie and US Ecology Sarnia acquisitions.

Amortization of intangibles

Intangible assets amortization expense increased 61% to $15.5 million in 2019 compared with $9.6 million in 2018. The acquired NRC operations contributed $3.9 million of intangible assets amortization expense for our period of ownership in 2019. Excluding NRC operations, intangible assets amortization expense was $11.6 million in 2019 compared with $9.6

million in 2018, primarily reflecting additional amortization of intangible assets recorded as a result of ES&H Dallas, Winnie and US Ecology Sarnia acquisitions.

Share-based compensation

Share-based compensation expense increased 27% to $5.5 million in 2019, compared with $4.4 million 2018 as a result of an increase in equity-based awards granted to employees and incremental post-merger share-based compensation of $605,000 associated with the replacement restricted stock units issued in connection with NRC Merger.

Accretion and non-cash adjustment of closure and post-closure liabilities

Accretion and non-cash adjustment of closure and post-closure liabilities increased to $4.4 million in 2019 compared with $3.7 million in 2018, primarily reflecting higher favorable non-cash adjustments to post-closure liabilities recorded in 2018 due to changes in cost estimates and timing associated with closed sites.

Gain on property insurance recoveries

The Company recognized gains on property-related insurance recoveries of $12.4 million in 2019 and $347,000 in 2018 related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018.

Business development and integration expenses

Business development and integration expenses increased to $26.2 million in 2019, compared to $748,000 in 2018, primarily attributable to $24.4 million of pre-acquisition business development costs and post-acquisition integration expenses associated with the NRC Merger in 2019. The remaining increase is attributable to a larger number of business development projects in 2019 compared to 2018.

Liquidity and Capital Resources

We are continually evaluating the impact of the COVID-19 pandemic on our financial condition and liquidity. Although the situation remains uncertain, we believe that we have sufficient cash flow from operations and available borrowings under the Revolving Credit Facility to execute our business strategy in the short and longer term. The Company's ability to weather the negative impacts of the COVID-19 pandemic was bolstered by the Company's cost-saving measures implemented during the 2020 fiscal year, including cost control initiatives, a reduction to planned 2020 capital spending of approximately 35% compared to the budgeted capital spending levels; and suspension of the Company's quarterly dividend, commencing with the second quarter of 2020 to preserve free cash flow and enhance liquidity. The Company has also taken advantage of the provision of the Coronavirus Aid, Relief and Economic Security Act, which was signed into law on March 27, 2020, to defer the payment of the employer portion of payroll tax withholdings, which yielded approximately $7.5 million of additional cash savings in 2020. While management continues to closely monitor the impact of the COVID-19 pandemic and government and private sector responses to it in each of the locations and sectors in which the Company does business, we believe that the Company's strategy during the pandemic has increased the Company's resiliency and positioned the Company to take advantage of any post-pandemic recovery.

Our primary sources of liquidity are cash and cash equivalents, cash generated from operations and borrowings under the Credit Agreement. At December 31, 2020, we had $73.8 million in unrestricted cash and cash equivalents immediately available and $121.9 million of borrowing capacity, subject to our leverage covenant limitation, available under our Revolving Credit Facility. We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. Our primary ongoing cash requirements are funding operations, capital expenditures, paying principal and interest on our long-term debt, and paying declared dividends pursuant to our dividend policy. We believe future operating cash flows will be sufficient to meet our future operating, investing and dividend cash needs for the foreseeable future, and that the cost-saving measures described above have strengthened our ability to withstand the adverse impact of the COVID-19 pandemic. Furthermore, existing cash balances and availability of additional borrowings under the Credit Agreement provide additional sources of liquidity should they be required. On June 26, 2020, Predecessor US Ecology amended the Credit Agreement to provide for a covenant relief period through the earlier of March 31, 2022

and the date Predecessor US Ecology elects to end such covenant relief period pursuant to the terms therein. See additional information on the Third Amendment under "*Amendments to the Credit Agreement*" below.

Operating Activities. In 2020, net cash provided by operating activities was $107.1 million. This primarily reflects net loss of $389.4 million, non-cash goodwill and intangible asset impairment charges of $404.9 million, non-cash depreciation, amortization and accretion of $107.9 million, a decrease in accounts receivable of $8.4 million and share-based compensation and business development and integration expenses of $7.8 million, partially offset by a decrease in accounts payable and accrued liabilities of $13.6 million, an increase in income taxes receivable of $7.0 million and an increase in other assets of $5.4 million. Impacts on net loss are due to the factors discussed above under "Results of Operations." Changes in accounts receivable and accounts payable and accrued liabilities are attributable to the timing of payments from customers and payments to vendors for products and services. The increase in other assets is primarily attributable to prepaid insurance costs and refundable deposits associated with our annual renewal process. The increase in income taxes receivable is primarily attributable to net operating losses in 2020 that will be carried back to prior years with taxable income for a refund of taxes paid in those prior tax years, which were at higher tax rates.

We calculate days sales outstanding ("DSO") as a rolling four quarter average of our net accounts receivable divided by our quarterly revenue. Our net accounts receivable balance for the DSO calculation includes trade accounts receivable, net of allowance for doubtful accounts and unbilled accounts receivable, adjusted for changes in deferred revenue. DSO as of December 31, 2020, was 86 days as compared to 84 days as of December 31, 2019.

In 2019, net cash provided by operating activities was $79.6 million. This primarily reflects net income of $33.1 million, non-cash depreciation, amortization and accretion of $61.3 million, share-based compensation and business development and integration expenses of $9.3 million, an increase in accrued salaries and benefits of $8.3 million and deferred income taxes of $6.6 million, partially offset by a $12.4 million gain on insurance proceeds from damaged property and equipment, a decrease in accounts payable and accrued liabilities of $10.7 million, an increase in accounts receivable of $9.4 million and an increase in income taxes receivable of $4.2 million. Impacts on net income are due to the factors discussed above under "Results of Operations." The increase in accrued salaries and benefits is primarily attributable to higher employee-incentive plan accruals and higher employee-termination benefits accruals associated with the NRC Merger in 2019. The decrease in accounts payable and accrued liabilities is primarily attributable to the timing of payments to vendors for products and services. We recognized property-related insurance recoveries in 2019 related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018. The increase in receivables is primarily attributable to the timing of customer payments. The change in income taxes receivable and deferred income taxes is primarily attributable to the timing of income tax payments as well as the Company's ability to use NRC's tax attributes to offset cash taxes for 2019.

In 2018, net cash provided by operating activities was $81.5 million. This primarily reflects net income of $49.6 million, non-cash depreciation, amortization and accretion of $42.6 million, an increase in accounts payable and accrued liabilities of $14.3 million, deferred income taxes of $5.9 million, share-based compensation expense of $4.4 million and non-cash impairment charges of $3.7 million, partially offset by an increase in accounts receivable of $32.3 million and an increase in income taxes receivable of $7.1 million. Impacts on net income are due to the factors discussed above under "Results of Operations." The decrease in accounts payable and accrued liabilities is primarily attributable to the timing of payments to vendors for products and services. The increase in receivables is primarily attributable to the timing of customer payments. Changes in income taxes receivable are primarily attributable to the timing of income tax payments.

Investing Activities. In 2020, net cash used in investing activities was $57.6 million, primarily related to capital expenditures of $57.4 million and the acquisition of Impact Environmental, Inc. for $3.3 million in January 2020. Capital projects consisted primarily of equipment purchases and infrastructure upgrades at our corporate and operating facilities.

In 2019, net cash used in investing activities was $455.7 million, primarily used to refinance the indebtedness of NRC and pay transaction expenses incurred in connection with the NRC Merger in the aggregate amount of $381.7 million, net of cash acquired, capital expenditures of $58.1 million, the acquisition of US Ecology Sarnia for $17.9 million, a $7.9 million investment in the preferred stock of a privately held company and a $4.0 million payment of a contingent consideration liability acquired in connection with the NRC Merger, partially offset by property insurance proceeds of $12.7 million related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018. Significant capital projects included

construction of additional disposal capacity at our Belleville, Michigan; Robstown, Texas; and Blainville, Québec, Canada facilities, as well as equipment purchases and infrastructure upgrades at our corporate and operating facilities.

In 2018, net cash used in investing activities was $148.8 million, primarily related the acquisition of Winnie for $87.1 million, the acquisition of ES&H Dallas for $21.3 million, and capital expenditures of $40.8 million. Significant capital projects included continuing construction of additional disposal capacity and railway expansions at our Blainville, Québec, Canada location and infrastructure upgrades at our corporate and operating facilities.

Financing Activities. During 2020, net cash used in financing activities was $18.5 million, consisting primarily of $90.0 million in borrowings on our revolving credit facility, partially offset by $74.5 million in payments on our revolving credit facility and term loan, repurchases of our common stock of $18.3 million, $6.3 million in payments on our equipment financing obligations and dividend payments to our stockholders of $5.7 million. Quarterly cash dividends were suspended commencing with the second quarter of 2020 and no dividends have been paid since the first quarter 2020.

During 2019, net cash provided by financing activities was $384.4 million, consisting primarily of $448.9 million of borrowings, net of original issue discount, under the term loan used primarily to refinance the indebtedness of NRC and pay transaction expenses incurred in connection with the NRC Merger and $43.0 million of Revolving Credit Facility borrowings primarily used for the payment of NRC Merger-related expenses and to fund the purchase of US Ecology Sarnia, partially offset by $80.0 million of repayments of outstanding Revolving Credit Facility borrowings, $15.9 million of dividend payments to our stockholders and $9.4 million of deferred financing costs paid in connection with the amendment of the Credit Agreement and the issuance of the term loan.

During 2018, net cash provided by financing activities was $72.9 million, consisting primarily of $87.0 million in proceeds under the Credit Agreement to fund the acquisition of Winnie and $2.4 million in proceeds received from the exercise of stock options, partially offset by $15.8 million of dividend payments to our stockholders.

Credit Agreement

On April 18, 2017, US Ecology Holdings, Inc. (f/k/a US Ecology, Inc.) ("Predecessor US Ecology"), now a wholly-owned subsidiary of the Company, entered into a new senior secured credit agreement (as amended, restated, supplemented or otherwise modified through the date hereof, the "Credit Agreement") with Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent for the lenders, swingline lender and issuing lender, and Bank of America, N.A., as an issuing lender, that provides for the $500.0 million, five-year Revolving Credit Facility, including a $75.0 million sublimit for the issuance of standby letters of credit and a $40.0 million sublimit for the issuance of swingline loans used to fund short-term working capital requirements. The Credit Agreement also contains an accordion feature whereby Predecessor US Ecology may request up to $200.0 million of additional funds through an increase to the Revolving Credit Facility, through incremental term loans, or some combination thereof. As described below, the Credit Agreement was amended in November 2019 in connection with the NRC Merger and further amended on June 26, 2020 pursuant to the Third Amendment (as defined below). In addition, as a result of the consummation of the NRC Merger, the borrower under the Credit Facility is Predecessor US Ecology, a wholly-owned subsidiary of the Company. In connection with Predecessor US Ecology's entry into the Credit Agreement, Predecessor US Ecology terminated its existing credit agreement with Wells Fargo, dated June 17, 2014 (the "2014 Credit Agreement"). Immediately prior to the termination of the 2014 Credit Agreement, there were $278.3 million of term loans and no revolving loans outstanding under the 2014 Credit Agreement. No early termination penalties were incurred as a result of the termination of the 2014 Credit Agreement.

During the year ended December 31, 2020, the effective interest rate on the Revolving Credit Facility, after giving effect to the impact of our interest rate swap and the amortization of the loan discount and debt issuance costs, was 3.98%. Interest only payments are due either quarterly or on the last day of any interest period, as applicable. In March 2020, the Company entered into an interest rate swap agreement with Wells Fargo, effectively fixing the interest rate on $480.0 million, or approximately 61%, of the Revolving Credit Facility and term loan borrowings outstanding as of December 31, 2020.

Except as modified by the Third Amendment as described below, Predecessor US Ecology is required to pay a commitment fee ranging from 0.175% to 0.35% on the average daily unused portion of the Revolving Credit Facility, with such

commitment fee to be based upon Predecessor US Ecology's total net leverage ratio (as defined in the Credit Agreement). The maximum letter of credit capacity under the Revolving Credit Facility is $75.0 million and the Credit Agreement provides for a letter of credit fee equal to the applicable margin for LIBOR loans under the Revolving Credit Facility. At December 31, 2020, there were $347.0 million of revolving credit loans outstanding on the Revolving Credit Facility. These revolving credit loans are due upon the earliest to occur of (i) November 1, 2024 (or, with respect to any lender, such later date as requested by us and accepted by such lender), (ii) the date of termination of the entire revolving credit commitment (as defined in the Credit Agreement) by us, and (iii) the date of termination of the revolving credit commitment and are presented as long-term debt in the consolidated balance sheets.

Predecessor US Ecology has entered into a sweep arrangement whereby day-to-day cash requirements in excess of available cash balances are advanced to the Company on an as-needed basis with repayments of these advances automatically made from subsequent deposits to our cash operating accounts (the "Sweep Arrangement"). Total advances outstanding under the Sweep Arrangement are subject to the $40.0 million swingline loan sublimit under the Revolving Credit Facility. Predecessor US Ecology's revolving credit loans outstanding under the Revolving Credit Facility are not subject to repayment through the Sweep Arrangement. As of December 31, 2020, there were no amounts outstanding subject to the Sweep Arrangement.

As of December 31, 2020, the availability under the Revolving Credit Facility was $121.9 million, subject to our leverage covenant limitation, with $9.8 million of the Revolving Credit Facility issued in the form of standby letters of credit utilized as collateral for closure and post-closure financial assurance and other assurance obligations.

Amendments to the Credit Agreement

On August 6, 2019, Predecessor US Ecology entered into the first amendment (the "First Amendment") to the Credit Agreement, by and among Predecessor US Ecology, the subsidiaries of Predecessor US Ecology party thereto, the lenders referred to therein and Wells Fargo, as issuing lender, swingline lender and administrative agent. Effective November 1, 2019, the First Amendment, among other things, extended the expiration of the Revolving Credit Facility to November 1, 2024, permitted the issuance of a $400.0 million incremental term loan to be used to refinance the indebtedness of NRC and pay related transaction expenses in connection with the NRC Merger, modified the accordion feature allowing Predecessor US Ecology to request up to the greater of (x) $250.0 million and (y) 100% of consolidated EBITDA plus certain additional amounts, increased the sublimit for the issuance of swingline loans to $40.0 million and increased the maximum consolidated total net leverage ratio to 4.00 to 1.00.

On November 1, 2019, Predecessor US Ecology entered into the lender joinder agreement and second amendment (the "Second Amendment") to the Credit Agreement. Effective November 1, 2019, the Second Amendment, among other things, amended the Credit Agreement to increase the capacity for incremental term loans by $50.0 million and provided for Wells Fargo lending $450.0 million in incremental term loans to Predecessor US Ecology to pay off the existing debt of NRC in connection with the NRC Merger, to pay certain fees, costs and expenses incurred in connection with the NRC Merger and to repay outstanding borrowings under the Revolving Credit Facility. The seven-year incremental term loan matures November 1, 2026, requires principal repayment of 1% annually, and bears interest at LIBOR plus 2.25% or a base rate plus 1.25% (with a step-up to LIBOR plus 2.50% or a base rate plus 1.50% in the event that US Ecology credit ratings are not BB (with a stable or better outlook) or better from S&P and Ba2 (with a stable or better outlook) or better from Moody's). During the year ended December 31, 2020, the effective interest rate on the term loan, including the impact of the amortization of debt issuance costs, was 3.45%.

On June 26, 2020, Predecessor US Ecology entered into the third amendment (the "Third Amendment") to the Credit Agreement. Among other things, the Third Amendment amended the Credit Agreement to provide a covenant relief period through the earlier of March 31, 2022 and the date Predecessor US Ecology elects to end such covenant relief period pursuant to the terms therein. During the covenant relief period, the Third Amendment increased Predecessor US Ecology's consolidated total net leverage ratio requirement as of the end of each fiscal quarter to certain ratios above the 4.00 to 1.00 ratio in effect immediately before giving effect to the Third Amendment, subject to compliance with certain restrictions on restricted payments and permitted acquisitions during such covenant relief period. Furthermore, during the covenant relief period, under the Revolving Credit Facility, revolving credit loans are available based on a base rate (as defined in the Credit Agreement) or LIBOR, at the Company's option, plus an applicable margin, which is determined

according to a pricing grid under which the interest rate decreases or increases based on our ratio of funded debt to consolidated earnings before interest, taxes, depreciation and amortization (as defined in the Credit Agreement)

See Note 16 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information on the Company's debt.

Contractual Obligations and Guarantees

Contractual Obligations

US Ecology's contractual obligations at December 31, 2020 become due as follows:

	Payments Due by Period				
$s in thousands	**Total**	**2021**	**2022-2023**	**2024-2025**	**Thereafter**
Closure and post-closure obligations (1)	$ 394,543	$ 6,679	$ 12,391	$ 15,353	$ 360,120
Credit agreement obligations (2)	792,500	4,500	9,000	356,000	423,000
Interest expense (3)	122,958	27,847	48,934	35,403	10,774
Total contractual obligations (4)	$ 1,310,001	$ 39,026	$ 70,325	$ 406,756	$ 793,894

(1) For the purposes of the table above, closure and post-closure obligations are shown on an undiscounted basis and inflated using an estimated annual inflation rate of 2.6%. Cash payments for closure and post-closure obligation extend to the year 2130.

(2) At December 31, 2020, there were $347.0 million of revolving credit loans outstanding on the Revolving Credit Facility. These revolving credit loans are due upon the earliest to occur of (a) November 1, 2024 (or, with respect to any lender, such later date as requested by us and accepted by such lender), (b) the date of termination of the entire revolving credit commitment (as defined in the Credit Agreement, as amended) by us, and (c) the date of termination of the revolving credit commitment. At December 31, 2020 there were $445.5 million of term loan borrowings outstanding. The term loan matures on November 1, 2026 and requires principal repayment of 1% annually.

(3) Interest expense has been calculated using the interest rate of 3.00% in effect at December 31, 2020 on the unhedged variable rate portion of the Revolving Credit Facility borrowings and 3.69% on the fixed rate hedged portion of the Revolving Credit Facility borrowings. Interest expense has been calculated using the interest rate of 2.65% in effect at December 31, 2020 on the unhedged variable rate portion of the term loan borrowings and 3.33% on the fixed rate hedged portion of the term loan borrowings. The interest expense calculation reflects assumed payments on the Revolving Credit Facility and the term loan borrowings consistent with the disclosures in footnote (2) above.

(4) As we are not able to reasonably estimate when we would make any cash payments to settle unrecognized tax benefits of $239,000, such amounts have not been included in the table above.

Guarantees

We enter into a wide range of indemnification arrangements, guarantees and assurances in the ordinary course of business and have evaluated agreements that contain guarantees and indemnification clauses. These include tort indemnities, tax indemnities, indemnities against third-party claims arising out of arrangements to provide services to us and indemnities related to the sale of our securities. We also indemnify individuals made party to any suit or proceeding if that individual was acting as an officer or director of US Ecology or was serving at the request of US Ecology or any of its subsidiaries during their tenure as a director or officer. We also provide guarantees and indemnifications for the benefit of our wholly-owned subsidiaries to satisfy performance obligations, including closure and post-closure financial assurances. It is difficult to quantify the maximum potential liability under these indemnification arrangements; however, we are not currently aware of any material liabilities to the Company or any of its subsidiaries arising from these arrangements.

Environmental Matters

We maintain funded trust agreements, surety bonds and insurance policies for future closure and post-closure obligations at both current and formerly operated disposal facilities. These funded trust agreements, surety bonds and insurance policies are based on management estimates of future closure and post-closure monitoring using engineering evaluations and interpretations of regulatory requirements which are periodically updated. Accounting for closure and post-closure costs includes final disposal cell capping and revegetation, soil and groundwater monitoring and routine maintenance and surveillance required after a site is closed.

We estimate that our undiscounted future closure and post-closure costs for all facilities was approximately $394.5 million at December 31, 2020, with a median payment year of 2075. Our future closure and post-closure estimates are our best estimate of current costs and are updated periodically to reflect current technology, cost of materials and services, applicable laws, regulations, permit conditions or orders and other factors. These current costs are adjusted for anticipated annual inflation, which we assumed to be 2.6% as of December 31, 2020. These future closure and post-closure estimates are discounted to their present value for financial reporting purposes using our credit-adjusted risk-free interest rate, which approximates our incremental long-term borrowing rate in effect at the time the obligation is established or when there are upward revisions to our estimated closure and post-closure costs. At December 31, 2020, our weighted-average credit-adjusted risk-free interest rate was 5.4%. For financial reporting purposes, our recorded closure and post-closure obligations were $95.9 million and $86.4 million as of December 31, 2020 and 2019, respectively.

Through December 31, 2020, we have met our financial assurance requirements through insurance, surety bonds, standby letters of credit and self-funded restricted trusts.

U.S. Operating and Non-Operating Facilities

We cover our closure and post-closure obligations for our U.S. operating facilities through the use of third-party insurance policies, surety bonds and standby letters of credit. As of December 31, 2020, we had provided collateral of $5.6 million in funded trust agreements, $23.2 million in surety bonds, issued $3.6 million in letters of credit for financial assurance and have insurance policies of approximately $117.8 million for closure and post-closure obligations at covered U.S. operating and non-operating facilities. Cash held in funded trust agreements for our closure and post-closure obligations is identified as Restricted cash and investments on our consolidated balance sheets.

All closure and post-closure funding obligations for our Beatty, Nevada and Richland, Washington facilities revert to the respective state. Volume based fees are collected from our customers and remitted to state-controlled trust funds to cover the estimated cost of closure and post-closure obligations.

Stablex

We use commercial surety bonds to cover our closure obligations for our Stablex facility located in Blainville, Québec, Canada. Our lease agreement with the Province of Québec requires that the surety bond be maintained for 25 years after the lease expires in 2023. At December 31, 2020 we had $816,000 in commercial surety bonds dedicated for closure obligations. These bonds were renewed in November and December 2020 and expire in November and December 2021. Post-closure funding obligations for the Stablex landfill revert back to the Province of Québec through a dedicated trust account that is funded based on a per-metric-ton disposed fee by Stablex.

We expect to renew insurance policies and commercial surety bonds in the future. If we are unable to obtain adequate closure, post-closure or environmental liability insurance and/or commercial surety bonds in future years, any partial or completely uninsured claim against us, if successful and of sufficient magnitude, could have a material adverse effect on our financial condition, results of operations or cash flows. Additionally, continued access to casualty and pollution legal liability insurance with sufficient limits, at acceptable terms, is important to obtaining new business. Failure to maintain adequate financial assurance could also result in regulatory action including early closure of facilities. While we believe we will be able to maintain the requisite financial assurance policies at a reasonable cost, premium and collateral requirements may materially increase.

Operation of disposal facilities creates operational, closure and post-closure obligations that could result in unplanned monitoring and corrective action costs. We cannot predict the likelihood or effect of all such costs, new laws or regulations, litigation or other future events affecting our facilities. We do not believe that continuing to satisfy our environmental obligations will have a material adverse effect on our financial condition or results of operations.

Seasonal Effects

Seasonal fluctuations due to weather and budgetary cycles can influence the timing of customer spending for our services. Typically, in the first quarter of each calendar year there is less demand for our services due to weather-related reduced construction and business activities while we experience improvement in our second and third quarters of each calendar year as weather conditions and other business activity improves.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements require us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates included in our critical accounting policies discussed below and those accounting policies and use of estimates discussed in Notes 2 and 3 to the Consolidated Financial Statements located in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K. We base our estimates on historical experience and on various assumptions and other factors we believe to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We make adjustments to judgments and estimates based on current facts and circumstances on an ongoing basis. Historically, actual results have not deviated significantly from those determined using the estimates described below or in Notes 2 and 3 to the Consolidated Financial Statements located in "Part II, Item 8. Financial Statements and Supplementary Data" to this Annual Report on Form 10-K. However, actual amounts could differ materially from those estimated at the time the consolidated financial statements are prepared.

We believe the following critical accounting policies are important to understand our financial condition and results of operations and require management's most difficult, subjective or complex judgments, often as a result of the need to estimate the effect of matters that are inherently uncertain.

Revenue Recognition

Revenues are recognized when control of the promised services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those services.

We recognize revenue from three primary sources: (1) waste treatment, recycling and disposal services, (2) field and industrial waste management services and (3) waste transportation services.

Our waste treatment and disposal customers are legally obligated to properly treat and dispose of their waste in accordance with local, state and federal laws and regulations. As our customers do not possess the resources to properly treat and dispose of their waste independently, they contract with the Company to perform the services. Waste treatment, recycling, and disposal revenue results primarily from fixed fees charged to customers for treatment and/or disposal or recycling of specified wastes. Waste treatment, recycling, and disposal revenue is generally charged on a per-ton or per-yard basis at contracted prices and is recognized over time as the services are performed. Our treatment and disposal services are generally performed as the waste is received and considered complete upon final disposal.

Field and industrial waste management services revenue results primarily from specialty onsite services such as high-pressure cleaning, tank cleaning, decontamination, remediation, transportation, spill cleanup and emergency response at refineries, chemical plants, steel and automotive plants, and other government, commercial and industrial facilities. We also provide hazardous waste packaging and collection services and total waste management solutions at customer sites and through our 10-day transfer facilities. These services are provided based on purchase orders or agreements with the customer and include prices based upon daily, hourly or job rates for equipment, materials and personnel. Generally, the

pricing in these types of contracts is fixed, but the quantity of services to be provided during the contract term is variable and revenues are recognized over the term of the agreements or as services are performed. As we have a right to consideration from our customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, we have applied the practical expedient to recognize revenue in the amount to which we have the right to invoice. Additionally, we have customers that pay annual retainer fees, primarily for our standby services, under long-term or evergreen contracts. Such retainer fees are recognized over time as the services are performed and it is probable that a significant reversal in the amount of cumulative revenue recognized on the contracts will not occur.

Transportation and logistics revenue results from delivering customer waste to a disposal facility for treatment and/or disposal or recycling. Transportation services are generally not provided on a stand-alone basis and instead are bundled with other Company services. However, in some instances we provide transportation and logistics services for shipment of waste from cleanup sites to disposal facilities operated by other companies. For such arrangements, we allocate revenue to each performance obligation based on its relative standalone selling price. We generally determine standalone selling prices based on the prices charged to customer or using expected cost plus margin. Transportation revenue is recognized over time as the waste is transported.

Taxes and fees collected from customers concurrent with revenue-producing transactions to be remitted to governmental authorities are excluded from revenue.

Our Richland, Washington disposal facility is regulated by the WUTC, which approves our rates for disposal of LLRW. Annual revenue levels are established based on a rate agreement with the WUTC at amounts sufficient to cover our costs of operation, including facility maintenance, equipment replacement and related costs, and provide us with a reasonable profit. Per-unit rates charged to LLRW customers during the year are based on our evaluation of disposal volume and radioactivity projections submitted to us by waste generators. Our proposed rates are then reviewed and approved by the WUTC. If annual revenue exceeds the approved levels set by the WUTC, we are required to refund excess collections to facility users on a pro-rata basis. Refundable excess collections, if any, are recorded in Accrued liabilities in the consolidated balance sheets. The current rate agreement with the WUTC was extended in 2019 and is effective until December 31, 2025.

Disposal Facility Accounting

We amortize landfill and disposal assets and certain related permits over their estimated useful lives. The units-of-consumption method is used to amortize landfill cell construction and development costs and asset retirement costs. Under the units-of-consumption method, we include costs incurred to date as well as future estimated construction costs in the amortization base of the landfill assets. Additionally, where appropriate, as discussed below, we also include probable expansion airspace that has yet to be permitted in the calculation of the total remaining useful life of the landfill asset. If we determine that expansion capacity should no longer be considered in calculating the total remaining useful life of a landfill asset, we may be required to recognize an asset impairment or incur significantly higher amortization expense over the remaining estimated useful life of the landfill asset. If at any time we make the decision to abandon the expansion effort, the capitalized costs related to the expansion effort would be expensed in the period of abandonment.

Our landfill assets and liabilities fall into the following two categories, each of which require accounting judgments and estimates:

- Landfill assets comprised of capitalized landfill development costs.
- Disposal facility retirement obligations relating to our capping, closure and post-closure liabilities that result in corresponding retirement assets.

Landfill Assets

Landfill assets include the costs of landfill site acquisition, permits and cell design and construction incurred to date. Landfill cells represent individual disposal areas within the overall treatment and disposal site and may be subject to specific permit requirements in addition to the general permit requirements associated with the overall site.

To develop, construct and operate a landfill cell, we must obtain permits from various regulatory agencies at the local, state and federal levels. The permitting process requires an initial site study to determine whether the location is feasible for landfill operations. The initial studies are reviewed by our environmental management group and then submitted to the regulatory agencies for approval. During the development stage we capitalize certain costs that we incur after site selection but before the receipt of all required permits if we believe that it is probable that the landfill cell will be permitted.

Upon receipt of regulatory approval, technical landfill cell designs are prepared. The technical designs, which include the detailed specifications to develop and construct all components of the landfill cell including the types and quantities of materials that will be required, are reviewed by our environmental management group. The technical designs are submitted to the regulatory agencies for approval. Upon approval of the technical designs, the regulatory agencies issue permits to develop and operate the landfill cell.

The types of costs that are detailed in the technical design specifications generally include excavation, natural and synthetic liners, construction of leachate collection systems, installation of groundwater monitoring wells, construction of leachate management facilities and other costs associated with the development of the site. We review the adequacy of our cost estimates at least annually. These development costs, together with any costs incurred to acquire, design and permit the landfill cell, including personnel costs of employees directly associated with the landfill cell design, are recorded to the landfill asset on the balance sheet as incurred.

To match the expense related to the landfill asset with the revenue generated by the landfill operations, we amortize the landfill asset on a units-of-consumption basis over its operating life, typically on a cubic yard or cubic meter of disposal space consumed. The landfill asset is fully amortized at the end of a landfill cell's operating life. The per-unit amortization rate is calculated by dividing the sum of the landfill asset net book value plus estimated future development costs (as described above) for the landfill cell, by the landfill cell's estimated remaining disposal capacity. Amortization rates are influenced by the original cost basis of the landfill cell, including acquisition costs, which in turn is determined by geographic location and market values. We have secured significant landfill assets through business acquisitions and valued them at the time of acquisition based on fair value.

Included in the technical designs are factors that determine the ultimate disposal capacity of the landfill cell. These factors include the area over which the landfill cell will be developed, such as the depth of excavation, the height of the landfill cell elevation and the angle of the side-slope construction. Landfill cell capacity used in the determination of amortization rates of our landfill assets includes both permitted and unpermitted disposal capacity. Unpermitted disposal capacity is included when management believes achieving final regulatory approval is probable based on our analysis of site conditions and interactions with applicable regulatory agencies.

We review the estimates of future development costs and remaining disposal capacity for each landfill cell at least annually. These costs and disposal capacity estimates are developed using input from independent engineers and internal technical and accounting managers and are reviewed and approved by our environmental management group. Any changes in future estimated costs or estimated disposal capacity are reflected prospectively in the landfill cell amortization rates.

We assess our long-lived landfill assets for impairment when an event occurs or circumstances change that indicate the carrying amount may not be recoverable. Examples of events or circumstances that may indicate impairment of any of our landfill assets include, but are not limited to, the following:

- Changes in legislative or regulatory requirements impacting the landfill site permitting process making it more difficult and costly to obtain and/or maintain a landfill permit;

- Actions by neighboring parties, private citizen groups or others to oppose our efforts to obtain, maintain or expand permits, which could result in denial, revocation or suspension of a permit and adversely impact the economic viability of the landfill. As a result of opposition to our obtaining a permit, improved technical information as a project progresses, or changes in the anticipated economics associated with a project, we may decide to reduce the scope of, or abandon, a project, which could result in an asset impairment; and

- Unexpected significant increases in estimated costs, significant reductions in prices we are able to charge our customers or reductions in disposal capacity that affect the ongoing economic viability of the landfill.

Disposal Facility Retirement Obligations

Disposal facility retirement obligations include the cost to close, maintain and monitor landfill cells and support facilities. As individual landfill cells reach capacity, we must cap and close the cells in accordance with the landfill cell permits. These capping and closure requirements are detailed in the technical design of each landfill cell and included as part of our approved regulatory permit. After the entire landfill cell has reached capacity and is certified closed, we must continue to maintain and monitor the landfill cell for a post-closure period, which generally extends for 30 years. Costs associated with closure and post-closure requirements generally include maintenance of the landfill cell and groundwater systems, and other activities that occur after the landfill cell has ceased accepting waste. Costs associated with post-closure monitoring generally include groundwater sampling, analysis and statistical reports, transportation and disposal of landfill leachate and erosion control costs related to the final cap.

We have a legally enforceable obligation to operate our landfill cells in accordance with the specific requirements, regulations and criteria set forth in our permits. This includes executing the approved closure/post-closure plan and closing/capping the entire landfill cell in accordance with the established requirements, design and criteria contained in the permit. As a result, we record the fair value of our disposal facility retirement obligations as a liability in the period in which the regulatory obligation to retire a specific asset is triggered. For our individual landfill cells, the required closure and post-closure obligations under the terms of our permits and our intended operation of the landfill cell are triggered and recorded when the cell is placed into service and waste is initially disposed in the landfill cell. The fair value is based on the total estimated costs to close the landfill cell and perform post-closure activities once the landfill cell has reached capacity and is no longer accepting waste, discounted using a credit-adjusted risk-free rate. Retirement obligations are increased each year to reflect the passage of time by accreting the balance at the weighted average credit-adjusted risk-free rate that is used to calculate the recorded liability, with accretion charged to direct operating costs. Actual cash expenditures to perform closure and post-closure activities reduce the retirement obligation liabilities as incurred. After initial measurement, asset retirement obligations are adjusted at the end of each period to reflect changes, if any, in the estimated future cash flows underlying the obligation. Disposal facility retirement assets are capitalized as the related disposal facility retirement obligations are incurred. Disposal facility retirement assets are amortized on a units-of-consumption basis as the disposal capacity is consumed.

Our disposal facility retirement obligations represent the present value of current cost estimates to close, maintain and monitor landfills and support facilities as described above. Cost estimates are developed using input from independent engineers, internal technical and accounting managers, as well as our environmental management group's interpretation of current legal and regulatory requirements, and are intended to approximate fair value. We estimate the timing of future payments based on expected annual disposal airspace consumption and then inflate the current cost estimate by an inflation rate, estimated at December 31, 2020 to be 2.6%. Inflated current costs are then discounted using our credit-adjusted risk-free interest rate, which approximates our incremental borrowing rate in effect at the time the obligation is established or when there are upward revisions to our estimated closure and post-closure costs. Our weighted-average credit-adjusted risk-free interest rate at December 31, 2020 was approximately 5.4%. Final closure and post-closure obligations are currently estimated as being paid through the year 2130. During 2020 we updated several assumptions, including estimated costs and timing of closing our disposal cells. These updates resulted in a net increase to our post-closure obligations of $5.4 million in 2020.

We update our estimates of future capping, closure and post-closure costs and of future disposal capacity for each landfill cell on an annual basis. Changes in inflation rates or the estimated costs, timing or extent of the required future activities to close, maintain and monitor landfills and facilities result in both: (i) a current adjustment to the recorded liability and related asset and (ii) a change in accretion and amortization rates which are applied prospectively over the remaining life of the asset. A hypothetical 1% increase in the inflation rate would increase our closure/post-closure obligation by $19.2 million. A hypothetical 10% increase in our cost estimates would increase our closure/post-closure obligation by $8.8 million.

Goodwill and Intangible Assets

Goodwill

As of December 31, 2020, the Company's goodwill balance was $413.0 million. We assess goodwill for impairment during the fourth quarter as of October 1 of each year, and also if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The assessment consists of comparing the fair value of the reporting unit to the carrying value of the net assets assigned to the reporting unit, including goodwill. Some of the factors that could indicate impairment include a significant adverse change in legal factors or in the business climate, an adverse action or assessment by a regulator, or failure to generate sufficient cash flows at the reporting unit. For example, field services represents an emerging business for the Company and has been the focus of a shift in strategy since the acquisition of NRC and EQ. Failure to execute on planned growth initiatives within this business could lead to the impairment of goodwill and intangible assets in future periods.

We determine our reporting units by identifying the components of each operating segment, and then aggregate components having similar economic characteristics based on quantitative and/or qualitative factors. At December 31, 2020, we had seven reporting units, five of which had allocated goodwill.

Fair values are generally determined by an income approach, discounting projected future cash flows based on our expectations of the current and future operating environment, using a market approach, applying a multiple of earnings based on guideline for publicly traded companies, or a combination thereof. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. The rates used to discount projected future cash flows reflect a weighted average cost of capital based on our industry, capital structure and risk premiums including those reflected in the current market capitalization. In the event the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired. If the carrying amount of a reporting unit exceeds its fair value, goodwill of the reporting unit is considered impaired, and an impairment charge would be recognized during the period in which the determination has been made for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized will not exceed the total amount of goodwill allocated to that reporting unit.

Assessing impairment inherently involves management judgments as to the assumptions used to calculate fair value of the reporting units and the impact of market conditions on those assumptions. The key inputs that management uses in its assumptions to estimate the fair value of our reporting units under the income-based approach are as follows:

- Projected cash flows of the reporting unit, with consideration given to projected revenues, operating margins and the levels of capital investment required to generate the corresponding revenues; and

- Weighted average cost of capital ("WACC"), the risk-adjusted rate used to discount the projected cash flows.

To develop the projected cash flows of our reporting units, management considers factors that may impact the revenue streams within each reporting unit. These factors include, but are not limited to, economic conditions on both a global scale and specifically in the regions in which the reporting units operate, customer relationships, strategic plans and opportunities, required returns on invested capital and competition from other service providers. With regard to operating margins, management considers its historical reporting unit operating margins on the revenue streams within each reporting unit, adjusting historical margins for the projected impact of current market trends on both fixed and variable costs.

Expected future after-tax operating cash flows of each reporting unit are discounted to a present value using a risk-adjusted discount rate. Estimates of future cash flows require management to make significant assumptions regarding future operating performance including the projected mix of revenue streams within each reporting unit, projected operating margins, the amount and timing of capital investments and the overall probability of achieving the projected cash flows, as well as future economic conditions, which may result in actual future cash flows that are different than management's estimates. The discount rate, which is intended to reflect the risks inherent in future cash flow projections, used in estimating the present value of future cash flows, is based on estimates of the WACC of market participants relative to the

reporting units. Financial and credit market volatility can directly impact certain inputs and assumptions used to develop the WACC.

In connection with our financial review and forecasting procedures performed during the first quarter of 2020, management determined that the projected future cash flows of our EW reporting unit and our International reporting unit (described below) indicated that the fair value of such reporting units may be below their respective carrying amounts. Accordingly, we performed an interim assessment of each reporting unit's fair value as of March 31, 2020 (the "Interim Assessment"). Based on the results of the Interim Assessment, we recognized goodwill impairment charges of $283.6 million related to our EW reporting unit and $16.7 million related to our International reporting unit in the first quarter of 2020. During the fourth quarter of 2020, the Company finalized the purchase price allocation related to the NRC Merger. The finalization of fair value estimates during the fourth quarter of 2020, and resulting final determination of goodwill by reporting unit, resulted in an increase in the amount of goodwill assigned to the EW reporting unit and a decrease in the amount of goodwill assigned to the International reporting unit. $80.3 million of additional goodwill assigned to the EW reporting unit was immediately impaired in the fourth quarter of 2020 based on the fair value of the reporting unit determined in the Interim Assessment. The decrease in goodwill assigned to the International reporting unit resulted in the reversal in the fourth quarter of 2020 of $11.2 million of International reporting unit goodwill impairment charges recorded in the first quarter of 2020.

Our EW reporting unit, the sole component of our Energy Waste segment, provides energy-related services including solid and liquid waste treatment and disposal, equipment cleaning and maintenance, specialty equipment rental, spill containment and site remediation for a full complement of oil and gas waste streams, predominately to upstream energy customers currently concentrated in the Eagle Ford and Permian Basins in Texas. Our International reporting unit, a component of our Field Services segment, provides industrial and emergency response services to the offshore oil and gas sector in the North Sea and land-based industries across the EMEA region. Both our EW and International reporting units are dependent on energy-related exploration and production investments and expenditures by our energy industry customers. Lower crude oil prices and the volatility of such prices affect the level of investment as it impacts the ability of energy companies to access capital on economically advantageous terms or at all. In addition, energy companies decrease investments when the projected profits are inadequate or uncertain due to lower crude oil prices or volatility in crude oil prices. Such reductions in capital spending negatively impact energy waste generation and therefore the demand for our services. Recent volatility and historically low oil prices have adversely impacted customers of our EW reporting unit and our International reporting unit, negatively affecting demand for our services.

The principal factors contributing to the goodwill impairment charges for both the EW and International reporting units related to historically-low energy commodity prices reducing anticipated energy-related exploration and production investments and expenditures by our energy industry customers, which negatively impacted each reporting unit's prospective cash flows and each reporting unit's estimated fair value. A longer-than-expected recovery in crude oil pricing and energy-related exploration and production investments became evident during the first quarter of 2020 as we assessed the projected impact of the COVID-19 pandemic and foreign oil production increases on the global demand for oil and updated the long-term projections for each reporting unit which, as a result, decreased each reporting unit's anticipated future cash flows as compared to those estimated previously.

Consistent with our annual impairment testing methodology, we utilized a weighted average of (1) an income approach and (2) a market approach to determine the fair value of each of the reporting units for the Interim Assessment. The income approach is based on the estimated present value of future cash flows for each reporting unit. The market approach is based on assumptions about how market data relates to each reporting unit.

The rapid and sustained decline in the energy markets served by our EW and International reporting units, exacerbated by the uncertainty surrounding the impact of the COVID-19 pandemic and foreign oil production increases, has inherently increased the risk associated with the future cash flows of these reporting units. Accordingly, when performing the Interim Assessment, we increased the discount rates and decreased the projected capital investment for each reporting unit compared to the assumptions used in the initial fair value assessment in connection with the NRC Merger on November 1, 2019. We believe these changes are reflective of market participant inputs in consideration of the current economic uncertainty.

We also considered the estimated fair value of our EW and International reporting units under a market-based approach by applying industry-comparable multiples of revenues and operating earnings to reporting unit revenues and operating earnings. The lack of a broad base of publicly available market data specific to the industry in which we operate, combined with the general market volatility attributable to the COVID-19 pandemic, results in a wide range of currently observable market multiples. Accordingly, we applied less weight to the estimated fair value of our reporting units calculated under the market-based approach (10%) compared to the income approach (90%) described above.

We believe that the discount rates, projected cash flows and other inputs and assumptions used in the Interim Assessment are consistent with those that a market participant would use based on the events described above and are reflective of the current market assessment of the fair value of our EW and International reporting units. In addition, we believe that our estimates and assumptions about future revenues and margin projections in the Interim Assessment were reasonable and consistent with the current economic uncertainty, both in general and specific to the energy markets served by our EW and International reporting units.

The result of the annual assessment of goodwill undertaken in the fourth quarter of 2020 indicated that the fair value of each of our reporting units was in excess of its respective carrying value, with the exception of our Field Services reporting unit.

Our Field Services reporting unit, a component of our Field Services segment, offers specialty field services and total waste management solutions to commercial and industrial facilities and to government entities through our 10-day transfer facilities and at customer sites. Consistent with prior assessments, we utilized a weighted average of (1) an income approach and (2) a market approach to determine the fair value of each of the Field Services reporting unit. The income approach is based on the estimated present value of future cash flows for the reporting unit. The market approach is based on assumptions about how market data relates to the reporting unit. The estimated fair value of the Field Services reporting unit was then compared to the reporting unit's carrying amount as of October 1, 2020. Based on the results of that comparison, the carrying amount of the Field Services reporting unit exceeded the estimated fair value of the reporting unit by $14.4 million and, as a result, we recognized a corresponding goodwill impairment charge in the fourth quarter of 2020. The factors contributing to the $14.4 million goodwill impairment charge principally related to an increase in the risk-adjusted rate used to discount the projected cash flows of the reporting unit as a result of the decline in our share price since the last annual assessment as well as a slower than expected recovery to cash flow levels forecasted prior to the COVID-19 pandemic, which negatively impacted the reporting unit's prospective financial information in its discounted cash flow model and the reporting unit's estimated fair value as compared to previous estimates.

We believe that the discount rates, projected cash flows and other inputs and assumptions used in the annual assessment of goodwill are consistent with those that a market participant would use based on the facts and circumstances described above and are reflective of the current market assessment of the fair value of our Field Services and EW reporting units. In addition, we believe that our estimates and assumptions about future revenues and margin projections in the annual assessment were reasonable and consistent with the current economic outlook, both in general and specific to the markets served by our Field Services and EW reporting units.

The result of the annual assessment of goodwill undertaken in the fourth quarter of 2019 indicated that the fair value of each of our reporting units was in excess of its respective carrying value.
In connection with our annual budgeting process commencing in the third quarter of 2018 and review of the projected future cash flows of our reporting units used in our annual assessment of goodwill, it was determined that the projected future cash flows of our Mobile Recycling reporting unit, which is part of our Waste Solutions segment, indicated that the fair value of the reporting unit may be below its carrying amount. Accordingly, we performed an interim assessment of the reporting unit's goodwill as of September 30, 2018. Based on the results of that assessment, goodwill was deemed impaired and we recognized an impairment charge of $1.4 million in the third quarter of 2018, representing the reporting unit's entire goodwill balance. The factors contributing to the $1.4 million goodwill impairment charge recorded in 2018 principally related to declining business and cash flows, which negatively impacted the reporting unit's prospective financial information in its discounted cash flow model and the reporting unit's estimated fair value as compared to previous estimates.

The result of the annual assessment of goodwill undertaken in the fourth quarter of 2018 indicated that the fair value of each of our reporting units was in excess of its respective carrying value.

Non-amortizing Intangible Assets

We review non-amortizing intangible assets for impairment during the fourth quarter as of October 1 of each year. Fair value is generally determined by considering an internally developed discounted projected cash flow analysis. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. If the fair value of an asset is determined to be less than the carrying amount of the intangible asset, an impairment in the amount of the difference is recorded in the period in which the annual assessment occurs.

The results of the annual assessment of non-amortizing intangible assets undertaken in the fourth quarter of 2020 indicated no impairment charges were required, with the exception of certain non-amortizing permit intangibles within our Field Services segment.

Our Field Services segment provides government-mandated, commercial standby oil spill compliance solutions to companies that store, transport, produce or handle petroleum and certain nonpetroleum oils on or near U.S. waters. A company's ability to provide these standby services is subject to significant regulatory certification requirements and other high barriers to entry. As such, the Company assigned $57.1 million of fair value to non-amortizing standby services permit intangible assets upon finalization of the purchase accounting allocation related to the NRC Merger. In performing the annual indefinite-lived intangible assets impairment tests, the estimated fair value of the standby services permits was determined under an income approach using discounted projected future cash flows associated with the permits and then compared to the $57.1 million carrying amount of the permits as of October 1, 2020. Based on the results of that evaluation, the carrying amount of the permits exceeded the estimated fair value of the permits and, as a result, we recognized a $21.1 million impairment charge in the fourth quarter of 2020. The factors contributing to the impairment charge principally related to a less favorable outlook on the potential for both significant oil spill events and growth opportunities, which negatively impacted the discounted projected cash flows associated with the standby services permits and their estimated fair value as compared to previous estimates.

The results of the annual assessment of non-amortizing intangible assets undertaken in the fourth quarter of 2019 indicated no impairment charges were required.

In connection with the interim goodwill impairment assessment of the Mobile Recycling reporting unit, we also assessed the reporting unit's non-amortizing intangible permit asset for impairment as of September 30, 2018. Based on the results of that assessment, the carrying amounts of the non-amortizing intangible permit asset exceeded its estimated fair value and, as a result, we recognized a $1.8 million impairment charge in the third quarter of 2018. The factors and timing contributing to the non-amortizing intangible asset charge were the same as the factors and timing described above with regards to the Mobile Recycling reporting unit goodwill impairment charge.

The results of the annual assessment of non-amortizing intangible assets undertaken in the fourth quarter of 2018 indicated no impairment charges were required.

Amortizing Tangible and Intangible Assets

We also review amortizing tangible and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. In order to assess whether a potential impairment exists, the assets' carrying values are compared with their undiscounted expected future cash flows. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. Impairments are measured by comparing the fair value of the asset to its carrying value. Fair value is generally determined by considering: (i) the internally developed discounted projected cash flow analysis; (ii) a third-party valuation; and/or (iii) information available regarding the current market environment for similar assets. If the fair value of an asset is determined to be less than the carrying amount of the asset,

an impairment in the amount of the difference is recorded in the period in which the events or changes in circumstances that indicated the carrying value of the asset may not be recoverable occurred.

In connection with the interim goodwill impairment assessment of the EW and International reporting units in the first quarter of 2020, and the annual goodwill impairment assessment of the EW and Field Services reporting units in the fourth quarter of 2020, we also assessed the reporting units' amortizing tangible and intangible assets for impairment. Based on the results of the assessment, the carrying amounts of the amortizing tangible and intangible assets did not exceed the estimated undiscounted cash flows of the asset groups and, as a result, no additional impairment charges were recorded in 2020.

Our acquired permits and licenses generally have renewal terms of approximately 5-10 years. We have a history of renewing these permits and licenses as demonstrated by the fact that each of the sites' treatment permits and licenses have been renewed regularly since the facility began operations. We intend to continue to renew our permits and licenses as they come up for renewal for the foreseeable future. Costs incurred to renew or extend the term of our permits and licenses are recorded in Selling, general and administrative expenses in our consolidated statements of operations.

Share Based Payments

On May 27, 2015, the stockholders of Predecessor US Ecology approved the Omnibus Incentive Plan (as amended, "Pre-Merger Omnibus Plan"), which was approved by Predecessor US Ecology's Board of Directors on April 7, 2015. In connection with the closing of the NRC Merger, the Company assumed the Pre-Merger Omnibus Plan, amended and restated such plan and renamed it the Amended and Restated US Ecology, Inc. Omnibus Incentive Plan for the purpose of issuing replacement awards to award recipients under the Omnibus Plan pursuant to the NRC Merger Agreement, and for the issuance of additional awards in the future.

The Omnibus Plan was developed to provide additional incentives through equity ownership in US Ecology and, as a result, encourage employees, consultants and non-employee directors to contribute to our success. The Omnibus Plan provides, among other things, the ability for the Company to grant restricted stock, performance stock, options, stock appreciation rights, restricted stock units, performance stock units and other share-based awards or cash awards to employees, consultants and non-employee directors.

The Omnibus Plan expires on April 7, 2025 and authorizes 1,500,000 shares of common stock for grant over the life of the Omnibus Plan. As of December 31, 2020, 550,673 shares of common stock remain available for grant under the Omnibus Plan.

Subsequent to the approval of the Pre-Merger Omnibus Plan by Predecessor US Ecology in May 2015, we stopped granting equity awards under the American Ecology Corporation 2008 Stock Option Incentive Plan (the "Pre-Merger 2008 Stock Option Plan"). However, in connection with the closing of the NRC Merger, the Company assumed the Pre-Merger 2008 Stock Option Plan, amended and restated such plan and renamed in the Amended and Restated US Ecology, Inc. 2008 Stock Option Incentive Plan (the "2008 Stock-Option Plan") solely for the purpose of issuing replacement awards to award recipients thereunder and such plan remains in effect solely for the settlement of awards granted under such plan and no future grants may be made under such plan. No shares that are reserved but unissued under the 2008 Stock Option Plan or that are outstanding under the 2008 Stock Option Plan and reacquired by the Company for any reason will be available for issuance under the Omnibus Plan.

In addition, in connection with the closing of the NRC Merger, the Company assumed the NRC Group Holdings Corp. 2018 Equity Incentive Plan previously maintained by NRC, amended and restated such plan and renamed it the Amended and Restated US Ecology, Inc. 2018 Equity and Incentive Compensation Plan solely for the purpose of issuing replacement awards to award recipients thereunder pursuant to the NRC Merger Agreement, and no future grants may be made under such plan.

As of December 31, 2020, we have PSU awards outstanding under the Omnibus Plan. Each PSU represents the right to receive, on the settlement date, one share of the Company's common stock. The total number of 2018 PSUs each participant is eligible to earn ranges from 0% to 200% of the target number of PSUs granted in 2018. The actual number

of 2018 PSUs that will vest and be settled in shares is determined based on total stockholder return relative to a set of peer companies, over a three-year performance period. The total number of 2019 PSUs each participant is eligible to earn ranges from 0% to 300% of the target number of PSUs granted in 2019. The actual number of 2019 PSUs that will vest and be settled in shares is determined based on achievement of certain Company financial performance metrics and total stockholder return relative to a set of peer companies, over a three-year performance period. The actual number of January 2020 PSUs that will vest and be settled in shares is determined based on the achievement of certain milestones. The total number of July 2020 PSUs each participant is eligible to earn ranges from 0% to 200% of the target number of PSUs granted in 2020. The actual number of July 2020 PSUs that will vest and be settled in shares is determined based on total stockholder return relative to a set of peer companies, over a 2.5-year performance period. Refer to Note 19 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for a summary of the assumptions utilized in the Monte Carlo valuation of awards granted during 2020, 2019 and 2018.

As of December 31, 2020, we have stock option awards outstanding under the 2008 Stock Option Plan and the Omnibus Plan.

The determination of fair value of stock option awards on the date of grant using the Black-Scholes model is affected by our stock price and subjective assumptions. These assumptions include, but are not limited to, the expected term of stock options and expected stock price volatility over the term of the awards. Refer to Note 19 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for a summary of the assumptions utilized in 2020, 2019 and 2018. Our stock options have characteristics significantly different from those of traded options, and changes in the assumptions can materially affect the fair value estimates.

The Company has elected to account for forfeitures as they occur, rather than estimate expected forfeitures.

Income Taxes

Our income tax expense, deferred tax assets "DTAs" and deferred tax liabilities "DTLs", and liabilities for uncertain tax benefits "UTBs" reflect management's best estimate of current and future taxes to be paid. We are subject to income taxes in the United States and numerous foreign jurisdictions. Significant judgments and estimates are required in the determination of the consolidated income tax expense.

We account for income taxes using an asset and liability method, which requires the recognition of taxes payable or refundable for the current year and deferred tax assets and liabilities for the expected future tax consequences of temporary differences that currently exist between the tax basis and the financial reporting basis of our taxable subsidiaries' assets and liabilities using the enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax laws and tax rates on deferred tax assets and liabilities are recognized in operations in the period that includes the enactment date. The measurement of DTAs is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realized.

We regularly assess the need for a valuation allowance against our deferred tax assets. In making that assessment, we consider both positive and negative evidence related to the likelihood of realization of the deferred tax assets on a jurisdictional basis to determine, based on the weight of available evidence, whether it is more-likely-than-not that some or all of the deferred tax assets will not be realized. Examples of positive and negative evidence include future growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate, historical earnings, taxable income in prior years, if carryback is permitted under the law and prudent, and feasible tax planning strategies.

We apply the provisions of ASC 740 related to income tax uncertainties which clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the consolidated financial statements. We account for unrecognized tax benefits using a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. We establish reserves for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. We record an income tax liability, if any, for the difference between the benefit recognized and measured and the tax position taken or expected to be taken on our tax returns.

As of December 31, 2020, the Company had accumulated undistributed earnings generated by our foreign subsidiaries of approximately $64.6 million. Any additional taxes due with respect to such earnings or the excess of the amount for financial reporting over the tax basis of our foreign investments would generally be limited to foreign withholding taxes and state income taxes. We intend, however, to indefinitely reinvest these earnings and expect future U.S. cash generation to be sufficient to meet future U.S. cash needs

See Note 17 to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10 K for additional information regarding income taxes.

Litigation

We have, in the past, been involved in litigation requiring estimates of timing and loss potential whose timing and ultimate disposition is controlled by the judicial process.

In the ordinary course of business, we are involved in judicial and administrative proceedings involving federal, state, provincial or local governmental authorities, including regulatory agencies that oversee and enforce compliance with permits. Fines or penalties may be assessed by our regulators for noncompliance. Actions may also be brought by individuals or groups in connection with permitting of planned facilities, modification or alleged violations of existing permits, or alleged damages suffered from exposure to hazardous substances purportedly released from our operated sites, as well as other litigation. We maintain insurance intended to cover property and damage claims asserted as a result of our operations. Periodically, management reviews and may establish reserves for legal and administrative matters, or other fees expected to be incurred in relation to these matters.

In December 2010, National Response Corporation, a subsidiary of NRC acquired by the Company in the NRC Merger, was named as one of many "Dispersant Defendants" in multi-district litigation, arising out of the explosion of the BP oil rig, filed in the U.S. District Court for the Eastern District of Louisiana. The claims against National Response Corporation, and other "Dispersant Defendants," were brought by workers and others who alleged injury arising from post-explosion clean–up efforts, including particularly the use of certain chemical dispersants. In January 2013, the Court approved a Medical Benefits Class Action Settlement, which, among other things, provided for a "class wide" settlement as well as a release of claims against Dispersant Defendants, including National Response Corporation. Further, National Response Corporation successfully moved the court to dismiss all claims against it based on derivative immunity, as it was acting at the direction of the U.S. Government. In early 2018, BP began asserting an alleged contractual right of indemnity against National Response Corporation and others in post-settlement lawsuits brought by persons who had either chosen not to participate in the class-wide agreement or whose injuries were allegedly manifest after the period covered by the claim submission process. The Company advised BP that it considers the attempt to bring National Response Corporation back into previously settled litigation to be improper and moved for a declaratory judgment that it owes no indemnity or contribution to BP, raising various arguments, including BP's own actions and conduct over the preceding nine years with respect to these claims (including its failure to seek indemnity) and the resultant prejudice to National Response Corporation, BP's waiver of any indemnity, and the court's prior finding that National Response Corporation is entitled to derivative immunity. In response, BP asserted counterclaims against National Response Corporation for a declaratory judgment that National Response Corporation must indemnify BP under certain circumstances and for unjust enrichment. National Response Corporation successfully moved to dismiss the unjust enrichment claim. The parties filed simultaneous judgment on the pleadings briefs in February 2020, and all oppositions were filed on March 16, 2020. On May 4, 2020, the court found in favor of National Response Corporation, and held that the Company is not liable to BP or any back end litigation plaintiffs for any damages related to the Deepwater Horizon oil spill. BP timely appealed the ruling on June 11, 2020. The Company is currently unable to estimate the range of possible losses associated with this proceeding. However, the Company also believes that, were it deemed to have liability arising out of or related to BP's indemnity claims, such liability would be covered by an indemnity by SEACOR Holdings Inc., the former owner of National Response Corporation, in favor of National Response Corporation and its affiliates.

In January 2019, Kevin Sullivan, a driver for NRC from May 1, 2018 to August 22, 2018 filed a class action complaint against NRC in California Superior Court (Kevin Sullivan et. Al. v. National Response Corp., NRC Environmental Services, Inc. and Paul Taveira et al.) alleging the failure by the defendants to provide meal and rest breaks required by California law and requiring employees to work off the clock. Mr. Sullivan's complaint also asserted a claim under the

California Labor Code Private Attorneys General Act ("PAGA"), which permits an employee to assert a claim for violations of certain California Labor Code provisions on behalf of all aggrieved employees to recover statutory penalties that could be recovered by the State of California. On April 17, 2019, NRC filed a motion to compel individual arbitration, strike Mr. Sullivan's class action claims and stay the PAGA claim pending the outcome of Mr. Sullivan's individual claim; the court subsequently granted NRC's motion to compel. In response, Mr. Sullivan amended his complaint to dismiss the class claims without prejudice and proceed solely with the PAGA claim. The parties participated in a confidential mediation on August 3, 2020, and reached a settlement resolving the pending PAGA claim. The court issued a Notice of Entry of Judgment on October 30, 2020, approving the parties' settlement. The settlement administrator confirmed that the notices and aggregate settlement payments of $500,000 were paid to aggrieved employees on December 28, 2020, in accordance with the distribution timeline. This matter is resolved.

On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. In addition to initiating and conducting our own investigation into the incident, we fully cooperated with the Idaho Department of Environmental Quality, the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration ("OSHA") to support their comprehensive and independent investigations of the incident. On January 10, 2020, we entered into a settlement agreement with OSHA settling a complaint made by OSHA relating to the incident for $50,000. On January 28, 2020, the Occupational Safety and Health Review Commission issued an order terminating the proceeding relating to such OSHA complaint. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion in excess of our deductibles are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility, may result in the loss of business, profits or customers during the time of such closure. Accordingly, our insurance policies may not fully compensate us for these losses. In November 2020, we commenced a lawsuit against the generator and broker of the waste, the treatment of which we believe contributed to the Grand View explosion, seeking damages in connection with the losses suffered as a result of the incident.

Other than as described herein, we are not currently a party to any material pending legal proceedings and are not aware of any other claims that could, individually or in the aggregate, have a materially adverse effect on our financial position, results of operations or cash flows. The decision to accrue costs or write-off assets is based on the pertinent facts and our evaluation of present circumstances.

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements or interests in variable interest entities that would require consolidation. US Ecology operates through its direct and indirect subsidiaries.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We do not maintain equities, commodities, derivatives, or any other similar instruments for trading purposes. We have minimal interest rate risk on investments or other assets due to our preservation of capital approach to investments. At December 31, 2020, $5.6 million of restricted cash was invested in fixed-income U.S. Treasury and U.S. government agency securities and money market accounts.

We are exposed to changes in interest rates as a result of our Revolving Credit Facility and term loan borrowings under the Credit Agreement. Our Revolving Credit Facility borrowings incur interest at a base rate (as defined in the Credit Agreement) or LIBOR, at the Company's option, plus an applicable margin which is determined according to a pricing grid under which the interest rate decreases or increases based on our ratio of funded debt to consolidated earnings before interest, taxes, depreciation and amortization (as defined in the Credit Agreement). Our term loan bears interest at LIBOR plus 2.25% or a base rate plus 1.25% (with a step-up to LIBOR plus 2.50% or a base rate plus 1.50% in the event that US

Ecology credit ratings are not BB (with a stable or better outlook) or better from S&P and Ba2 (with a stable or better outlook) or better from Moody's).

In March 2020, the Company entered into an interest rate swap agreement with the intention of hedging the Company's interest rate exposure on a portion of the Company's outstanding LIBOR-based variable rate debt. Under the terms of the swap, the Company pays interest at the fixed effective rate of 0.83% and receives interest at the variable one-month LIBOR rate on an initial notional amount of $500.0 million.

As of December 31, 2020, there were $347.0 million of Revolving Credit Facility loans and $445.5 million of term loans outstanding under the Credit Agreement. If interest rates were to rise and outstanding balances remain unchanged, we would be subject to higher interest payments on our outstanding debt. Subsequent to the effective date of the interest rate swap on March 31, 2020, we are subject to higher interest payments on only the unhedged borrowings under the Credit Agreement and the term loan.

Based on the outstanding indebtedness of $792.5 million under the Credit Agreement at December 31, 2020 and the impact of our interest rate hedge, if market rates used to calculate interest expense were to average 1% higher in the next twelve months, our interest expense would increase by approximately $1.2 million for the corresponding period.

Foreign Currency Risk

We are subject to foreign currency exchange risk through our international operations. While we operate primarily in the United States and, accordingly, most of our consolidated revenue and associated expenses are denominated in USD. During 2020 we recorded approximately $73.3 million, or 8%, of our revenue in Canada, $19.9 million, or 2%, of our revenue in the EMEA region, and less than 1% of our revenue from other international regions. Revenue and expenses denominated in foreign currencies may be affected by movements in foreign currency exchange rates.

Our exposure to foreign currency exchange risk in our Consolidated Balance Sheets relates primarily to cash, trade payables and receivables, and intercompany loans that are denominated in foreign currencies, primarily CAD. Contracts for services that our foreign subsidiaries provide to customers are often denominated in currencies other than their local functional currency. The resulting cash, receivable and payable accounts are subject to non-cash foreign currency translation gains or losses.

We established intercompany loans with certain of our Canadian subsidiaries, as part of a tax and treasury management strategy allowing for repayment of third-party bank debt. These intercompany loans are payable using CAD and are subject to mark-to-market adjustments with movements in the CAD. At December 31, 2020, we had $32.9 million of intercompany loans outstanding between our Canadian subsidiaries and US Ecology. During 2020, the CAD strengthened as compared to the USD resulting in a $826,000 non-cash foreign currency translation gain being recognized in the Company's consolidated statements of operations related to the intercompany loans. Based on intercompany balances as of December 31, 2020, a $0.01 CAD increase or decrease in currency rate compared to the USD at December 31, 2020 would have generated a gain or loss of approximately $329,000 for the year ended December 31, 2020.

We had a total pre-tax foreign currency loss of $1.1 million for the year ended December 31, 2020. We currently have no foreign exchange contracts, option contracts or other foreign currency hedging arrangements. Management evaluates our risk position on an ongoing basis to determine whether foreign exchange hedging strategies should be employed.

Commodity Price Risk

We have exposure to commodity pricing for oil and gas. Fluctuations in oil and gas commodity prices may impact business activity in the industries that we serve, affecting demand for our services and our future earnings and cash flows. We have not entered into any derivative contracts to hedge our exposure to commodity price risk.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of US Ecology, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of US Ecology, Inc. and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements"). We have also audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Controls over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of

unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment Assessment – Goodwill In the Energy Waste and Field Services Reporting Units and Non Amortizing Standby Services Permit Intangible Asset - Refer to Notes 2, 3, and 13 to the consolidated financial statements

Critical Audit Matter Description

The Company's evaluation of goodwill for impairment involves the comparison of the estimated fair value of each of the Company's reporting units to their respective carrying value. Determination of the estimated fair value of a reporting unit requires judgement as to the future operating results of the reporting unit as well as the level of risks inherent in the projections. The Company estimates the fair value of its reporting units using either an income approach or a weighting of fair values derived from the income and market approaches.

The determination of fair value using the income approach is based on the present value of estimated future cash flows, which requires management to make significant estimates and assumptions of revenue growth rates and operating margins, and selection of the discount rates.

The determination of the fair value using the market approach requires management to make significant assumptions related to market multiples of revenue and earnings derived from comparable publicly-traded companies with similar operating and investment characteristics as the reporting unit.

The Company's evaluation of non-amortizing intangible assets for impairment involves the comparison of the estimated fair value of the individual intangible assets to their respective carrying values. Fair value is generally determined by considering an internally developed discounted projected cash flow analysis. Estimating future cash flows requires management to make significant judgments about factors such as general economic conditions and projected growth rates as well as the selection of discount rates.

Changes in these estimates and assumptions could have a significant impact on the determination of the estimated fair value, and any related goodwill or non-amortizing intangible asset impairment charge.

The Company evaluates goodwill and non-amortizing intangible assets for impairment annually, and more frequently if circumstances indicate the possibility of impairment.

During 2020, the Company identified impairment of goodwill related to the Energy Waste ("EW") reporting unit. This impairment was due to historically-low energy commodity prices which reduced anticipated energy-related exploration and production investments and expenditures by the Company's energy industry customers. Based on quantitative analyses performed, the Company determined that the carrying value of its EW reporting unit exceeded its fair value by an amount that was greater than its assigned goodwill. As a result, the Company recorded goodwill impairment charges totaling $363.9 million.

During 2020, the Company also identified an impairment of goodwill related to the Field Services reporting unit in its annual test. This impairment was principally related to an increase in the risk-adjusted rate used to discount the projected cash flows of the reporting unit as well as a slower than expected recovery to cash flow levels forecasted prior to the COVID-19 pandemic, which negatively impacted the reporting unit's prospective financial information. As a result, the Company recorded an impairment charge of $14.4 million.

During 2020, the Company further identified an impairment of its non-amortizing standby services permits intangible asset in its annual test. This impairment principally related to a less favorable outlook on the potential for both significant oil spill events and growth opportunities, which negatively impacted the projected cash flows associated with the standby services permits and their estimated fair value. As a result, the Company recorded an impairment charge of $21.1 million.

We identified the evaluation of the EW and Field Services reporting units' goodwill impairment assessments as well as the evaluation of the standby services permit intangible asset impairment assessment as a critical audit matter because small changes to valuation assumptions, specifically the forecasted cash flows and the discount rate, could have a significant impact on the reporting unit and intangible asset concluded fair values.

Auditing these assumptions involved extensive audit effort, including the need to involve our fair value specialists, due to the complexity of these assumptions and a high degree of auditor judgment when performing audit procedures and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasted cash flows and the selection of the discount rate for the impairment tests included the following:

- We tested the effectiveness of controls over the management's goodwill and non-amortizing intangible asset impairment evaluations, including the controls related to management's forecasted cash flows and the selection of the discount rate, as well as the identification of interim impairment indicators for the EW reporting unit.
- We evaluated management's ability to accurately forecast by comparing actual results to management's historical forecasts.
- We performed a sensitivity analysis to evaluate the risk of material misstatement of key business and valuation assumptions used in the fair value model.
- We evaluated the reasonableness of management's cash flow forecasts by comparing the forecasts to:

  Historical forecasts and results of operations.

  Internal communications to management and the Board of Directors.

  Information included in Company press releases as well as in analyst and industry reports for the Company and certain of its peer companies.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology used and evaluated the reasonableness of the discount rate applied by:

  Testing the source information underlying the determination of the discount rate and the mathematical accuracy of the calculation.

  Developing a range of independent estimates and comparing those to the discount rate selected by management.

/s/ DELOITTE & TOUCHE LLP

Boise, Idaho
February 26, 2021

We have served as the Company's auditor since 2009.

US ECOLOGY, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except per share amounts)

	As of December 31,	
	2020	**2019**
Assets		
Current Assets:		
Cash and cash equivalents	$ 73,848	$ 41,281
Receivables, net	241,978	255,310
Prepaid expenses and other current assets	28,379	25,136
Income taxes receivable	18,279	11,244
Total current assets	362,484	332,971
Property and equipment, net	456,637	478,768
Operating lease assets	51,474	57,396
Restricted cash and investments	5,598	5,069
Intangible assets, net	523,988	574,902
Goodwill	413,037	766,980
Other assets	18,065	15,158
Total assets	$ 1,831,283	$ 2,231,244
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$ 35,881	$ 46,906
Deferred revenue	15,267	14,788
Accrued liabilities	59,296	65,869
Accrued salaries and benefits	30,918	29,653
Income taxes payable	977	726
Current portion of long-term debt	3,359	3,359
Current portion of closure and post-closure obligations	6,471	2,152
Current portion of operating lease liabilities	17,048	17,317
Total current liabilities	169,217	180,770
Long-term debt	782,484	765,842
Long-term closure and post-closure obligations	89,398	84,231
Long-term operating lease liabilities	35,069	39,954
Other long-term liabilities	32,201	20,722
Deferred income taxes, net	120,983	128,345
Total liabilities	1,229,352	1,219,864
Commitments and contingencies (See Note 18)		
Stockholders' Equity:		
Common stock $0.01 par value per share, 50,000 authorized; 31,512 and 31,461 shares issued and outstanding, respectively	315	315
Additional paid-in capital	820,567	816,345
Retained (deficit) earnings	(188,452)	206,574
Treasury stock, at cost, 358 and 0 shares, respectively	(15,841)	—
Accumulated other comprehensive loss	(14,658)	(11,854)
Total stockholders' equity	601,931	1,011,380
Total liabilities and stockholders' equity	$ 1,831,283	$ 2,231,244

The accompanying notes are an integral part of these consolidated financial statements.

US ECOLOGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

	For the Year Ended December 31,		
	2020	**2019**	**2018**
Revenue	$ 933,854	$ 685,509	$ 565,928
Direct operating costs	688,805	475,675	395,834
Gross profit	245,049	209,834	170,094
Selling, general and administrative expenses	201,067	141,123	92,340
Goodwill and intangible asset impairment charges	404,900	—	3,666
Operating (loss) income	(360,918)	68,711	74,088
Other income (expense):			
Interest income	258	605	215
Interest expense	(32,595)	(19,239)	(12,130)
Foreign currency (loss) gain	(1,134)	(733)	55
Other	788	455	2,630
Total other expense	(32,683)	(18,912)	(9,230)
(Loss) income before income taxes	(393,601)	49,799	64,858
Income tax (benefit) expense	(4,242)	16,659	15,263
Net (loss) income	$ (389,359)	$ 33,140	$ 49,595
(Loss) earnings per share:			
Basic	$ (12.51)	$ 1.41	$ 2.27
Diluted	$ (12.51)	$ 1.40	$ 2.25
Shares used in (loss) earnings per share calculation:			
Basic	31,126	23,521	21,888
Diluted	31,126	23,749	22,047

The accompanying notes are an integral part of these consolidated financial statements.

US ECOLOGY, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

(In thousands)

	For the Year Ended December 31,		
	2020	2019	2018
Net (loss) income	$ (389,359)	$ 33,140	$ 49,595
Other comprehensive income (loss):			
Foreign currency translation gain (loss)	3,055	3,772	(6,094)
Net changes in interest rate hedge, net of taxes of $(1,557), $(488) and $375, respectively	(5,859)	(1,835)	1,407
Comprehensive (loss) income, net of tax	$ (392,163)	$ 35,077	$ 44,908

The accompanying notes are an integral part of these consolidated financial statements.

US ECOLOGY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	For the Year Ended December 31,		
	2020	2019	2018
Cash flows from operating activities:			
Net (loss) income	$ (389,359)	$ 33,140	$ 49,595
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization of property and equipment	66,561	41,423	29,207
Amortization of intangible assets	37,344	15,491	9,645
Accretion of closure and post-closure obligations	4,000	4,388	3,707
Goodwill and intangible asset impairment charges	404,900	—	3,666
Integration-related property and equipment charges	3,067	—	—
Property and equipment impairment charges	—	25	—
Unrealized foreign currency (gain) loss	(1,472)	(666)	1,211
Deferred income taxes	(4,148)	6,601	5,906
Share-based compensation expense	6,651	5,544	4,366
Share-based payments of business development and integration expenses	1,182	3,717	—
Unrecognized tax benefits	(8)	(238)	485
Net loss on disposition of assets	1,504	426	370
Gain on insurance proceeds from damaged property and equipment	—	(12,366)	(347)
Amortization and write-off of debt issuance costs	2,217	1,007	810
Amortization and write-off of debt discount	161	27	—
Change in fair value of contingent consideration	(3,682)	349	—
Changes in assets and liabilities (net of effects of business acquisitions):			
Receivables	8,381	(9,357)	(32,301)
Income taxes receivable	(7,049)	(4,163)	(7,072)
Other assets	(5,443)	(2,163)	(1,187)
Accounts payable and accrued liabilities	(13,628)	(10,706)	14,301
Deferred revenue	(1,619)	967	2,059
Accrued salaries and benefits	(121)	8,326	2,476
Income taxes payable	(549)	(244)	(3,512)
Closure and post-closure obligations	(1,744)	(1,912)	(1,900)
Net cash provided by operating activities	107,146	79,616	81,485
Cash flows from investing activities:			
Business acquisitions (net of cash acquired)	(3,309)	(399,599)	(108,382)
Purchases of property and equipment	(57,399)	(58,100)	(40,757)
Insurance proceeds from damaged property and equipment	1,305	12,714	—
Minority interest investment	—	(7,870)	—
Proceeds from sale of property and equipment	1,897	1,182	493
Payment of acquired contingent consideration liabilities	—	(4,000)	—
Purchases of restricted investments	(1,615)	(1,197)	(1,023)
Proceeds from sale of restricted investments	1,483	1,145	910
Net cash used in investing activities	(57,638)	(455,725)	(148,759)
Cash flows from financing activities:			
Proceeds from long-term debt	90,000	491,875	87,000
Payments on long-term debt	(74,500)	(80,000)	—
Payments on short-term borrowings	(72,353)	(77,997)	—
Proceeds from short-term borrowings	72,353	77,997	—
Repurchase of common stock	(18,332)	(915)	(314)
Dividends paid	(5,667)	(15,890)	(15,804)
Payment of acquired contingent consideration liabilities	(2,517)	—	—
Deferred financing costs paid	(1,144)	(9,416)	—
Payment of equipment financing obligations	(6,327)	(1,539)	(448)
Proceeds from exercise of stock options	28	319	2427
Net cash (used in) provided by financing activities	(18,459)	384,434	72,861
Effect of foreign exchange rate changes on cash	1,915	1,062	(1,633)
Increase in Cash and cash equivalents and restricted cash	32,964	9,387	3,954
Cash and cash equivalents and restricted cash at beginning of year	42,140	32,753	28,799
Cash and cash equivalents and restricted cash at end of year	$ 75,104	$ 42,140	$ 32,753
Reconciliation of Cash and cash equivalents and restricted cash			
Cash and cash equivalents at beginning of year	41,281	31,969	27,042
Restricted cash at beginning of year	859	784	1,757
Cash and cash equivalents and restricted cash at beginning of year	$ 42,140	$ 32,753	$ 28,799
Cash and cash equivalents at end of year	73,848	41,281	31,969
Restricted cash at end of year	1,256	859	784
Cash and cash equivalents and restricted cash at end of year	$ 75,104	$ 42,140	$ 32,753

The accompanying notes are an integral part of these consolidated financial statements.

US ECOLOGY, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands, except share amounts)

	Common Shares Issued	Common Stock	Additional Paid-In Capital	Retained Earnings (Deficit)	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2017	21,849,165	218	177,498	155,533	(68)	(9,104)	324,077
Net income	—	—	—	49,595	—	—	49,595
Other comprehensive loss	—	—	—	—	—	(4,687)	(4,687)
Dividends paid	—	—	—	(15,804)	—	—	(15,804)
Share-based compensation	—	—	4,366	—	—	—	4,366
Stock option exercises	143,220	1	2,428	—	—	—	2,429
Repurchase of common stock: 5,564 shares	—	—	—	—	(313)	—	(313)
Issuance of restricted common stock	44,949	1	(278)	—	—	—	(277)
Issuance of performance common stock	2,810	—	(169)	—	—	—	(169)
Issuance of restricted common stock from treasury shares	—	—	(11)	—	11	—	—
Balance at December 31, 2018	22,040,144	220	183,834	189,324	(370)	(13,791)	359,217
Net income	—	—	—	33,140	—	—	33,140
Other comprehensive income	—	—	—	—	—	1,937	1,937
Common stock issued in NRC Merger	9,337,949	93	581,008	—	—	—	581,101
Replacement warrants, restricted stock and stock options issued in NRC Merger	—	—	45,359	—	—	—	45,359
Dividends paid	—	—	—	(15,890)	—	—	(15,890)
Share-based compensation	—	—	5,544	—	—	—	5,544
Share-based payments of business development and integration expenses	—	—	3,717	—	—	—	3,717
Stock option exercises	8,235	—	319	—	—	—	319
Repurchase of common stock: 14,462 shares	—	—	—	—	(916)	—	(916)
Issuance of restricted common stock	78,175	2	(1,516)	—	—	—	(1,514)
Issuance of performance common stock	9,540	—	(634)	—	—	—	(634)
Issuance of restricted common stock from treasury shares	—	—	(514)	—	514	—	—
Cancellation of treasury shares	(13,359)	—	(772)	—	772	—	—
Balance at December 31, 2019	31,460,684	315	816,345	206,574	—	(11,854)	1,011,380
Net loss	—	—	—	(389,359)	—	—	(389,359)
Other comprehensive loss	—	—	—	—	—	(2,804)	(2,804)
Dividends paid	—	—	—	(5,667)	—	—	(5,667)
Share-based compensation	—	—	6,651	—	—	—	6,651
Share-based payments of business development and integration expenses	—	—	1,182	—	—	—	1,182
Stock option exercises	3,142	—	28	—	—	—	28
Repurchase of common stock: 414,769 shares	—	—	—	—	(18,332)	—	(18,332)
Issuance of restricted common stock	45,111	—	(286)	—	—	—	(286)
Issuance of performance common stock	3,387	—	(210)	—	—	—	(210)
Issuance of restricted common stock from treasury shares	—	—	(3,143)	—	2,491	—	(652)
Balance at December 31, 2020	31,512,324	$ 315	$ 820,567	$ (188,452)	$ (15,841)	$ (14,658)	$ 601,931

The accompanying notes are an integral part of these financial statements.

US ECOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF BUSINESS

US Ecology Holdings, Inc., the predecessor to the Company ("Predecessor US Ecology"), was incorporated as a Delaware corporation in March 1987 as American Ecology Corporation. On February 22, 2010, Predecessor US Ecology changed its name from American Ecology Corporation to US Ecology, Inc. On November 1, 2019, in connection with the Company's acquisition of NRC Group Holdings Corp. ("NRC"), a new parent entity of US Ecology completed a merger transaction with Predecessor US Ecology and became the successor to Predecessor US Ecology and changed its name to "US Ecology, Inc." In connection with the closing of the NRC Merger (as defined below), Predecessor US Ecology changed its name to "US Ecology Holdings, Inc." US Ecology, Inc., through its subsidiaries, is a leading North American provider of environmental services to commercial and government entities. The Company addresses the complex waste management needs of its customers, offering treatment, disposal and recycling of hazardous and radioactive waste, as well as a wide range of complementary field services. US Ecology, Inc. and its predecessors have been protecting the environment since 1952, with operations primarily in the United States, Canada, the Europe, Middle East, and Africa ("EMEA") region and Mexico. Throughout these consolidated financial statements words such as "we," "us," "our," "US Ecology" and the "Company" refer to US Ecology, Inc. and its subsidiaries.

On November 1, 2019, pursuant to and subject to the conditions set forth in the Agreement and Plan of Merger (the "NRC Merger Agreement") by and among the Company, NRC, Predecessor US Ecology, Rooster Merger Sub, Inc. ("NRC Merger Sub"), and ECOL Merger Sub, Inc. ("ECOL Merger Sub"), ECOL Merger Sub merged with and into Predecessor US Ecology, with Predecessor US Ecology continuing as the surviving company and as a wholly-owned subsidiary of the Company. Substantially concurrently therewith, NRC Merger Sub merged with and into NRC, with NRC continuing as the surviving company and as a wholly-owned subsidiary of the Company. Following the completion of the mergers (collectively, the "NRC Merger"), the Company contributed all of the issued and outstanding equity interests of NRC to Predecessor US Ecology so that, after such contribution, NRC became a wholly-owned subsidiary of Predecessor US Ecology.

Effective as of November 1, 2019, the Company changed its name from "US Ecology Parent, Inc." to "US Ecology, Inc.," the Company's common stock and warrants began trading on Nasdaq under the symbol "ECOL" and "ECOLW," respectively. The Company identified itself as the successor issuer to Predecessor US Ecology pursuant to Rule 12g-3(c) under the Securities Exchange Act of 1934, as amended.

Effective in the fourth quarter of 2020, we have made changes to the manner in which we manage our business, make operating decisions and assess our performance. The energy waste business that was acquired through the NRC Merger now comprises our Energy Waste segment. Prior to this change, the energy waste business was included in the Waste Solutions segment (formerly "Environmental Services"). Throughout this Annual Report on Form 10-K, all periods presented have been recast to reflect these changes. Under our new structure our operations are managed in three reportable segments reflecting our internal management reporting structure and nature of services offered as follows:

Waste Solutions (formerly "Environmental Services")—This segment provides a broad range of specialty material management services including transportation, recycling, treatment and disposal of hazardous, non-hazardous and radioactive waste at Company-owned or operated landfill, wastewater, deep-well injection and other treatment facilities, excluding the services within our Energy Waste segment.

Field Services (formerly "Field & Industrial Services")—This segment provides specialty field services and total waste management solutions to commercial and industrial facilities and to government entities through our 10-day transfer facilities and at customer sites, both domestic and international. Specialty field services include standby services, emergency response, industrial cleaning and maintenance, remediation, lab packs, retail

services, transportation, and other services. Total waste management services include on-site management, waste characterization, transportation and disposal of non- hazardous and hazardous waste.

Energy Waste—This segment provides energy-related services and waste disposal services predominately to upstream energy customers currently concentrated in the Eagle Ford and Permian Basin. Services include spill containment and site remediation, equipment cleaning & maintenance services, specialty equipment rental, including tanks, pumps and containment, safety monitoring and management and transportation and disposal. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying financial statements are prepared on a consolidated basis. All inter-company balances and transactions have been eliminated in consolidation. Our year-end is December 31.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of cash on deposit, money market accounts or short-term investments with original maturities of 90 days or less at the date of acquisition. Cash and cash equivalents totaled $73.8 million and $41.3 million at December 31, 2020 and 2019, respectively. At December 31, 2020 and 2019, we had $59.3 million and $35.2 million, respectively, of cash at our operations outside the United States.

Receivables

Our receivables include invoiced and unbilled amounts where the Company has an unconditional right to payment.

Receivables are stated at an amount management expects to collect. Based on management's assessment of the credit history of the customers having outstanding balances and factoring in current economic conditions, management has concluded that potential unidentified losses on balances outstanding at year-end will not be material.

Unbilled receivables are recorded for work performed under contracts that have not yet been invoiced to customers and arise due to the timing of billings. Substantially all unbilled receivables at December 31, 2020, were billed in the following month.

Restricted Cash and Investments

Restricted cash and investments of $5.6 million and $5.1 million at December 31, 2020 and 2019, respectively, represent funds held in third-party managed trust accounts as collateral for our financial assurance obligations for post-closure activities at our non-operating facilities. These funds are invested in fixed-income U.S. Treasury and government agency securities and money market accounts. The balances are adjusted monthly to fair market value based on quoted prices in active markets for identical or similar assets.

Revenue Recognition

Revenues are recognized when control of the promised services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those services.

We recognize revenue from three primary sources: (1) waste treatment, recycling and disposal services, (2) field and industrial waste management services, and (3) waste transportation services.

Our waste treatment and disposal customers are legally obligated to properly treat and dispose of their waste in accordance with local, state, and federal laws and regulations. As our customers do not possess the resources to properly treat and

dispose of their waste independently, they contract with the Company to perform these services. Waste treatment, recycling, and disposal revenue results primarily from fixed fees charged to customers for treatment and/or disposal or recycling of specified wastes. Waste treatment, recycling, and disposal revenue is generally charged on a per-ton or per-yard basis based on contracted prices and is recognized over time as the services are performed. Our treatment and disposal services are generally performed as the waste is received and considered complete upon final disposal.

Field and industrial waste management services revenue results primarily from specialty onsite services such as high-pressure cleaning, tank cleaning, decontamination, remediation, transportation, spill cleanup and emergency response at refineries, chemical plants, steel and automotive plants, and other government, commercial and industrial facilities. We also provide hazardous waste packaging and collection services and total waste management solutions at customer sites and through our 10-day transfer facilities. These services are provided based on purchase orders or agreements with the customer and include prices based upon daily, hourly or job rates for equipment, materials and personnel. Generally, the pricing in these types of contracts is fixed, but the quantity of services to be provided during the contract term is variable and revenues are recognized over the term of the agreements or as services are performed. As we have a right to consideration from our customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, we have applied the practical expedient to recognize revenue in the amount to which we have the right to invoice. Additionally, we have customers that pay annual retainer fees, primarily for our standby services, under long-term or evergreen contracts. Such retainer fees are recognized over time as the services are performed and it is probable that a significant reversal in the amount of cumulative revenue recognized on the contracts will not occur.

Transportation and logistics revenue results from delivering customer waste to a disposal facility for treatment and/or disposal or recycling. Transportation services are generally not provided on a stand-alone basis and instead are bundled with other Company services. However, in some instances we provide transportation and logistics services for shipment of waste from cleanup sites to disposal facilities operated by other companies. For such arrangements, we allocate revenue to each performance obligation based on its relative standalone selling price. We generally determine standalone selling prices based on the prices charged to customer or using expected cost plus margin. Transportation revenue is recognized over time as the waste is transported.

Taxes and fees collected from customers concurrent with revenue-producing transactions to be remitted to governmental authorities are excluded from revenue.

Our Richland, Washington disposal facility is regulated by the Washington Utilities and Transportation Commission ("WUTC"), which approves our rates for disposal of low-level radioactive waste ("LLRW"). Annual revenue levels are established based on a rate agreement with the WUTC at amounts sufficient to cover the costs of operation, including facility maintenance, equipment replacement and related costs, and provide us with a reasonable profit. Per-unit rates charged to LLRW customers during the year are based on our evaluation of disposal volume and radioactivity projections submitted to us by waste generators. Our proposed rates are then reviewed and approved by the WUTC. If annual revenue exceeds the approved levels set by the WUTC, we are required to refund excess collections to facility users on a pro-rata basis. Refundable excess collections, if any, are recorded in Accrued liabilities in the consolidated balance sheets. The current rate agreement with the WUTC was extended in 2019 and is effective until December 31, 2025.

Deferred Revenue

We record deferred revenue when cash payments are received, or advance billings are charged, prior to performance of services, such as waste that has been received but not yet treated or disposed, and is recognized when these services are performed. During the year ended December 31, 2020 and 2019, we recognized $14.7 million and $10.4 million of revenue that was included in the deferred revenue balance at the beginning of each year, respectively.

Property and Equipment

Property and equipment are recorded at cost and depreciated on the straight-line method over estimated useful lives. Replacements and major repairs of property and equipment are capitalized and retirements are made when assets are disposed of or when the useful life has been exhausted. Minor components and parts are expensed as incurred. Repair and

maintenance expenses were $26.9 million, $20.5 million and $17.5 million for the years ended December 31, 2020, 2019 and 2018, respectively.

We assume no salvage value for our depreciable fixed assets. The estimated useful lives for significant property and equipment categories are as follows:

	Useful Lives
Vehicles, vessels and other equipment	3 to 10 years
Disposal facility and equipment	3 to 20 years
Buildings and improvements	5 to 40 years
Railcars	40 years

Disposal Cell Accounting

Qualified disposal cell development costs such as personnel and equipment costs incurred to construct new disposal cells are recorded and capitalized at cost. Capitalized cell development costs, net of recorded amortization, are added to estimated future costs of the permitted disposal cell to be incurred over the remaining construction of the cell, to determine the amount to be amortized over the remaining estimated cell life. Estimates of future costs are developed using input from independent engineers and internal technical and accounting managers. We review these estimates at least annually. Amortization is recorded on a unit of consumption basis, typically applying cost as a rate per cubic yard disposed. Disposal facility costs are expected to be fully amortized upon final closure of the facility, as no salvage value applies. Costs associated with ongoing disposal operations are charged to expense as incurred.

We have material financial commitments for closure and post-closure obligations for certain facilities we own or operate. We estimate future cost requirements for closure and post-closure monitoring based on RCRA and conforming state requirements and facility permits. RCRA requires that companies provide the responsible regulatory agency acceptable financial assurance for closure work and subsequent post-closure monitoring of each facility for 30 years following closure. Estimates for final closure and post-closure costs are developed using input from our technical and accounting managers as well as independent engineers and are reviewed by management at least annually. These estimates involve projections of costs that will be incurred after the disposal facility ceases operations, through the required post-closure care period. The present value of the estimated closure and post-closure costs are accreted using the interest method of allocation to direct costs in our consolidated statements of operations so that 100% of the future cost has been incurred at the time of payment.

Business Combinations

We account for business combinations under the acquisition method of accounting. The cost of an acquired company is assigned to the tangible and identifiable intangible assets purchased and the liabilities assumed on the basis of their fair values at the date of acquisition. Any excess of purchase price over the fair value of net tangible and intangible assets acquired is assigned to goodwill. The transaction costs associated with business combinations are expensed as they are incurred.

Goodwill

Goodwill represents the excess of the fair value of the consideration transferred over the fair value of the underlying identifiable assets and liabilities acquired. Goodwill is not amortized, but instead is assessed for impairment annually in the fourth quarter as of October 1 and also if an event occurs or circumstances change that may indicate a possible impairment. In the event that we determine that the value of goodwill has become impaired, we will incur an accounting charge for the amount of impairment during the period in which the determination has been made. See Note 3 for additional information related to the use of estimates in the Company's goodwill impairment tests and Note 13 for additional information related to our annual assessment of goodwill.

Intangible Assets

Intangible assets are stated at the fair value assigned in a business combination net of amortization. We amortize our amortizing intangible assets using the straight-line method over their estimated economic lives ranging from 1 to 60 years. We review intangible assets with indefinite useful lives for impairment during the fourth quarter as of October 1 of each year. We also review both non-amortizing and amortizing intangible assets for impairment whenever events or changes in circumstances indicate that the carrying value of an intangible asset may not be recoverable. See Note 3 for additional information related to the use of estimates in the Company's intangible assets impairment tests and Note 13 for additional information related to our annual assessment of non-amortizing intangible assets.

Our acquired permits and licenses generally have renewal terms of approximately 5-10 years. We have a history of renewing these permits and licenses as demonstrated by the fact that each of the sites' treatment permits and licenses have been renewed regularly since the facility began operations. We intend to continue to renew our permits and licenses as they come up for renewal for the foreseeable future. Costs incurred to renew or extend the term of our permits and licenses are recorded in Selling, general and administrative expenses in our consolidated statements of operations.

Impairment of Long-Lived Assets

Long-lived assets consist primarily of property and equipment facility development costs and amortizing intangible assets. The recoverability of long-lived assets is evaluated periodically through analysis of operating results and consideration of other significant events or changes in the business environment. If an operating unit had indications of possible impairment, we would evaluate whether impairment exists on the basis of undiscounted expected future cash flows from operations over the remaining amortization period. If an impairment loss were to exist, the carrying amount of the related long-lived assets would be reduced to their estimated fair value.

Debt Issuance Costs & Debt Discount

Debt issuance costs and debt discount are amortized over the scheduled maturity of the underlying debt instrument. Amortization of debt issuance costs and debt discount is included as a component of interest expense in the consolidated statements of operations. Unamortized debt discount and debt issuance costs associated with our term loan were $6.7 million and $7.8 million at December 31, 2020 and 2019, respectively, and have been recorded as a reduction of the Current portion of long-term debt and Long-term debt in the consolidated balance sheets. Unamortized debt issuance costs associated with our Revolving Credit Facility were $5.3 million and $4.7 million at December 31, 2020 and 2019, respectively, and have been recorded in Prepaid expenses and other current assets and Other assets in the consolidated balance sheets.

Derivative Instruments

In order to manage interest rate exposure, we entered into an interest rate swap agreement in March 2020 that effectively converts a portion of our variable-rate debt to a fixed interest rate. Changes in the fair value of the interest rate swap are recorded as a component of accumulated other comprehensive income within stockholders' equity, and are recognized in interest expense in the period in which the payment is settled. The interest rate swap has an effective date of March 31, 2020 in an initial notional amount of $500.0 million. The Company does not hold or issue derivative financial instruments for trading or speculative purposes.

Foreign Currency

The assets, liabilities and results of operations of certain of our foreign subsidiaries are measured using their functional currency which is the currency of the primary foreign economic environment in which they operate. Assets and liabilities are translated to U.S. dollars ("USD") at the exchange rate in effect at the balance sheet date and revenue and expenses at the average exchange rate for the period. Gains and losses from the translation of the consolidated financial statements of our foreign subsidiaries into USD are included in stockholders' equity as a component of Accumulated other comprehensive income. Gains and losses resulting from foreign currency transactions are recognized in the consolidated statements of operations. Recorded balances that are denominated in a currency other than the functional currency are

re-measured to the functional currency using the exchange rate at the balance sheet date and gains or losses are recorded in the statements of operations.

Income Taxes

We account for income taxes using an asset and liability method, which requires the recognition of taxes payable or refundable for the current year and deferred tax assets and liabilities for the expected future tax consequences of temporary differences that currently exist between the tax basis and the financial reporting basis of our taxable subsidiaries' assets and liabilities using the enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in operations in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realized. The unrecognized tax benefits that are not expected to result in payment or receipt of cash within one year are classified as "Other long-term liabilities" in the Consolidated Balance Sheets.

We regularly assess the need for a valuation allowance against our deferred tax assets. In making that assessment, we consider both positive and negative evidence related to the likelihood of realization of the deferred tax assets on a jurisdictional basis to determine, based on the weight of available evidence, whether it is more-likely-than-not that some or all of the deferred tax assets will not be realized. Examples of positive and negative evidence include future growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate, historical earnings, taxable income in prior years, if carryback is permitted under the law and prudent, and feasible tax planning strategies. In the event we were to determine that we would not be able to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax assets valuation allowance would be charged to earnings in the period in which we make such a determination, or goodwill would be adjusted at our final determination of the valuation allowance related to an acquisition within the measurement period. If we later determine that it is more-likely-than-not that the net deferred tax assets would be realized, we would reverse the applicable portion of the previously-provided valuation allowance as an adjustment to earnings at such time.

We account for unrecognized tax benefits using a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. We establish reserves for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. We record an income tax liability, if any, for the difference between the benefit recognized and measured and the tax position taken or expected to be taken on our tax returns. We recognize interest assessed by taxing authorities or interest associated with uncertain tax positions as a component of interest expense. We recognize any penalties assessed by taxing authorities or penalties associated with uncertain tax positions as a component of selling, general and administrative expenses.

Our income tax expense, deferred tax assets and deferred tax liabilities, and liabilities for uncertain tax benefits reflect management's best estimate of current and future taxes to be paid. We are subject to income taxes in the United States and numerous foreign jurisdictions. Significant judgments and estimates are required in the determination of the consolidated income tax expense. See Note 17 for additional information regarding income taxes.

Insurance

Accrued costs for our self-insured healthcare coverage were $3.3 million and $1.0 million at December 31, 2020 and 2019, respectively.

Earnings Per Share

Basic earnings per share is calculated based on the weighted-average number of outstanding common shares during the applicable period. Diluted earnings per share is based on the weighted-average number of outstanding common shares plus the weighted-average number of potential outstanding common shares. Potential common shares that would increase earnings per share or decrease loss per share are anti-dilutive and are excluded from earnings per share computations. Earnings per share is computed separately for each period presented.

Treasury Stock

Shares of common stock repurchased by us are recorded at cost as treasury stock and result in a reduction of stockholders' equity in our consolidated balance sheets. Treasury shares are reissued using the weighted average cost method for determining the cost of the shares reissued. The difference between the cost of the shares reissued and the issuance price is added or deducted from additional paid-in capital.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU No. 2019-12, "Income Taxes" (Topic 740): Simplifying the Accounting for Income Taxes ("ASU 2019-12"), which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. The Company does not expect ASU 2019-12 to have a material effect on its financial statements upon adoption.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses" (Topic 326), which is effective for reporting periods beginning after December 15, 2019. The standard replaces the incurred loss impairment methodology under current GAAP with a methodology that reflects expected credit losses and requires the use of a forward-looking expected credit loss model for accounts receivables, loans, and other financial instruments. The standard requires a modified retrospective approach through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The Company adopted the new credit loss standard effective January 1, 2020 and the impact of the adoption was not material to the Company's consolidated financial statements as credit losses are not expected to be significant based on historical collection trends, the financial condition of payment partners, and external market factors. The Company will continue to actively monitor the impact of the recent COVID-19 pandemic on expected credit losses.

NOTE 3. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Listed below are the estimates and assumptions that we consider to be significant in the preparation of our consolidated financial statements.

- *Allowance for Credit Losses* - We estimate losses for uncollectible accounts based on the aging of the accounts receivable and an evaluation of the likelihood of success in collecting the receivable.

- *Recovery of Long-Lived Assets* - We evaluate the recovery of our long-lived assets periodically by analyzing our operating results and considering significant events or changes in the business environment.

- *Income Taxes* - We assume the deductibility of certain costs in our income tax filings, and estimate our income tax rate and future recovery of deferred tax assets.

- *Legal and Environmental Accruals* - We estimate the amount of potential exposure we may have with respect to litigation and environmental claims and assessments.

- *Disposal Cell Development and Final Closure/Post-Closure Amortization* - We expense amounts for disposal cell usage and closure and post-closure costs for each cubic yard of waste disposed of at our operating facilities. In determining the amount to expense for each cubic yard of waste disposed, we estimate the cost to develop each disposal cell and the closure and post-closure costs for each disposal cell and facility. The expense for each cubic yard is then calculated based on the remaining permitted capacity and total permitted capacity. Estimates for closure and post-closure costs are developed using input from third-party engineering consultants, and our internal technical and

accounting personnel. Management reviews estimates at least annually. Estimates for final disposal cell closure and post-closure costs consider when the costs would actually be paid and, where appropriate, inflation and discount rates.

- *Business Acquisitions* - The Company records assets and liabilities of the acquired business at their fair values. Acquisition-related transaction and restructuring costs are expensed rather than treated as part of the cost of the acquisition. Goodwill represents the excess of the cost of an acquired business over the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed in a business acquisition.

- *Contingent Consideration* – The Company records liabilities for the estimated fair value of potential future payments the Company may be required to remit under the terms of historical purchase agreements, entered into by NRC, prior to the NRC Merger. The payments are contingent on the acquired business' achievement of annual earnings targets in certain years and other events considered in the purchase agreement.

- *Goodwill* - We assess goodwill for impairment during the fourth quarter as of October 1 of each year or sooner if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The assessment consists of comparing the estimated fair value of the reporting unit to the carrying value of the net assets assigned to the reporting unit, including goodwill. Fair values are generally determined by using both the market approach, applying a multiple of earnings based on guideline for publicly traded companies, and the income approach, discounting projected future cash flows based on our expectations of the current and future operating environment. The rates used to discount projected future cash flows reflect a weighted average cost of capital based on our industry, capital structure and risk premiums including those reflected in the current market capitalization. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. Failure to execute on planned growth initiatives within the related reporting units, coupled with the other factors mentioned above, could lead to the impairment of goodwill and other long-lived assets in future periods.

- *Intangible Assets* - We review intangible assets with indefinite useful lives for impairment during the fourth quarter as of October 1 of each year. Fair value is generally determined by considering a discounted projected cash flow analysis. If the fair value of an asset is determined to be less than the carrying amount of the intangible asset, an impairment in the amount of the difference is recorded in the period in which the annual assessment occurs.

  We also review amortizing intangible assets for impairment whenever events or changes in circumstances indicate that the carrying value of an intangible asset may not be recoverable. In order to assess whether a potential impairment exists, the assets' carrying values are compared with their undiscounted expected future cash flows. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. Impairments are measured by comparing the fair value of the asset to its carrying value. Fair value is generally determined by considering: (i) the discounted projected cash flow analysis; (ii) a third-party valuation; and/or (iii) information available regarding the current market environment for similar assets. If the fair value is determined to be less than the carrying amount of the intangible assets, an impairment in the amount of the difference is recorded in the period in which the events or changes in circumstances that indicated the carrying value of the intangible assets may not be recoverable occurred.

Actual results could differ materially from the estimates and assumptions that we use in the preparation of our consolidated financial statements. As it relates to estimates and assumptions in amortization rates and environmental obligations, significant engineering, operations and accounting judgments are required. We review these estimates and assumptions no less than annually. In many circumstances, the ultimate outcome of these estimates and assumptions will not be known for decades into the future. Actual results could differ materially from these estimates and assumptions due to changes in applicable regulations, changes in future operational plans and inherent imprecision associated with estimating environmental impacts far into the future.

NOTE 4. REVENUES

Disaggregation of Revenue

Effective in the fourth quarter of 2020, we have made changes to the manner in which we manage our business, make operating decisions and assess our performance. Throughout this Annual Report on Form 10-K, all periods presented have been recast to reflect these changes. Our operations are managed in three reportable segments, Waste Solutions, Field Services and Energy Waste, reflecting our internal reporting structure and nature of services offered. See Note 21 for additional information on our operating segments.

The following table presents our revenue disaggregated by our reportable segments and service lines:

	2020			
$s in thousands	**Waste Solutions**	**Field Services**	**Energy Waste**	**Total**
Treatment & Disposal Revenue (1)	$ 354,055	$ 47,781	$ 18,884	$ 420,720
Services Revenue:				
Transportation and Logistics (2)	71,358	34,218	7,184	112,760
Industrial Services (3)	—	118,584	4,178	122,762
Small Quantity Generation (4)	—	48,049	—	48,049
Total Waste Management (5)	—	35,401	—	35,401
Remediation (6)	—	30,225	—	30,225
Emergency Response (7)	—	107,508	—	107,508
Domestic Standby Services (8)	—	32,745	—	32,745
Other (9)	—	19,243	4,441	23,684
Revenue	$ 425,413	$ 473,754	$ 34,687	$ 933,854

	2019			
$s in thousands	**Waste Solutions**	**Field Services**	**Energy Waste**	**Total**
Treatment & Disposal Revenue (1)	$ 359,847	$ 18,523	$ 6,039	$ 384,409
Services Revenue:				
Transportation and Logistics (2)	80,700	40,670	2,877	124,247
Industrial Services (3)	—	38,861	1,200	40,061
Small Quantity Generation (4)	—	37,471	—	37,471
Total Waste Management (5)	—	33,794	—	33,794
Remediation (6)	—	13,307	—	13,307
Emergency Response (7)	—	26,839	—	26,839
Domestic Standby Services (8)	—	14,249	—	14,249
Other (9)	—	8,688	2,444	11,132
Revenue	$ 440,547	$ 232,402	$ 12,560	$ 685,509

$s in thousands	2018 Waste Solutions	Field Services	Energy Waste	Total
Treatment & Disposal Revenue (1)	$ 320,045	$ 11,736	$ —	$ 331,781
Services Revenue:				
Transportation and Logistics (2)	80,633	33,037	—	113,670
Industrial Services (3)	—	24,155	—	24,155
Small Quantity Generation (4)	—	34,571	—	34,571
Total Waste Management (5)	—	41,729	—	41,729
Remediation (6)	—	10,139	—	10,139
Emergency Response (7)	—	7,513	—	7,513
Other (9)	—	2,370	—	2,370
Revenue	$ 400,678	$ 165,250	$ —	$ 565,928

(1) We categorize our treatment and disposal revenue as either "Base Business" or "Event Business" based on the underlying nature of the revenue source. We define Event Business as non-recurring projects that are expected to equal or exceed 1,000 tons, with Base Business defined as all other business not meeting the definition of Event Business. For the years ended December 31, 2020, 2019 and 2018, 27%, 22% and 20%, respectively, of our treatment and disposal revenue, excluding NRC, was derived from Event Business projects. Base Business revenue accounted for 73%, 78% and 80% of our treatment and disposal revenue, excluding NRC, for the years ended December 31, 2020, 2019 and 2018, respectively.

(2) Includes collection and transportation of non-hazardous and hazardous waste.

(3) Includes industrial cleaning and maintenance for refineries, chemical plants, steel and automotive plants, marine terminals and refinery services such as tank cleaning and temporary storage.

(4) Includes retail services, laboratory packing, less-then-truck-load service and household hazardous waste collection. Contracts for Small Quantity Generation may extend beyond one year and a portion of the transaction price can be fixed.

(5) Through our TWM program, customers outsource the management of their waste compliance program to us, allowing us to organize and coordinate their waste management disposal activities and environmental compliance. TWM contracts may extend beyond one year and a portion of the transaction price can be fixed.

(6) Includes site assessment, onsite treatment, project management and remedial action planning and execution. Contracts for Remediation may extend beyond one year and a portion of the transaction price can be fixed.

(7) Includes spill response, waste analysis and treatment and disposal planning.

(8) We provide government-mandated, commercial standby oil spill compliance solutions to companies that store, transport, produce or handle petroleum and certain nonpetroleum oils on or near U.S. waters. Our standby services customers pay annual retainer fees under long-term or evergreen contracts for access to our regulatory certifications, specialized assets and highly trained personnel. When a customer with a retainer contract experiences a spill incident, we coordinate and manage the spill response, which results in incremental revenue for the services provided, in addition to the retainer fees.

(9) Includes equipment rental and other miscellaneous services.

We provide services primarily in the United States, Canada and the EMEA region. The following table presents our revenue disaggregated by our reportable segments and geographic location where the underlying services were performed:

	2020			
$s in thousands	Waste Solutions	Field Services	Energy Waste	Total
United States	$ 355,226	$ 445,405	34,687	$ 835,318
Canada	70,187	3,064	—	73,251
EMEA	—	19,947	—	19,947
Other (1)	—	5,338	—	5,338
Total revenue	$ 425,413	$ 473,754	34,687	$ 933,854

	2019			
$s in thousands	Waste Solutions	Field Services	Energy Waste	Total
United States	$ 354,625	$ 221,942	12,560	$ 589,127
Canada	85,922	2,577	—	88,499
EMEA	—	5,079	—	5,079
Other (1)	—	2,804	—	2,804
Total revenue	$ 440,547	$ 232,402	12,560	$ 685,509

	2018			
$s in thousands	Waste Solutions	Field Services	Energy Waste	Total
United States	$ 329,918	$ 165,250	—	$ 495,168
Canada	70,760	—	—	70,760
Total revenue	$ 400,678	$ 165,250	—	$ 565,928

(1) Includes Mexico, Asia Pacific, and Latin America and Caribbean geographical regions.

Principal versus Agent Considerations

The Company commonly contracts with third-parties to perform certain waste-related services that we have promised in our customer contracts. We consider ourselves the principal in these arrangements as we direct the timing, nature and pricing of the services ultimately provided by the third-party to the customer.

Costs to Obtain a Contract

The Company pays sales commissions to employees, which qualify as costs to obtain a contract. Sales commissions are expensed as incurred as the commissions are earned by the employee and paid by the Company over time as the related revenue is recognized. Other commissions and incremental costs to obtain a contract are not material.

Practical Expedients and Optional Exemptions

Our payment terms may vary based on type of service or customer; however, we do not adjust the promised amount of consideration in our contracts for the time value of money as payment terms extended to our customers do not exceed one year and are not considered a significant financing component in our contracts.

We do not disclose the value of unsatisfied performance obligations as contracts with an original expected length of more than one year and contracts for which we do not recognize revenue at the amount to which we have the right to invoice for services performed is insignificant and the aggregate amount of fixed consideration allocated to unsatisfied performance obligations is not material.

NOTE 5. BUSINESS COMBINATIONS

NRC Group Holdings Corp.

On November 1, 2019, the Company completed its merger with NRC, a provider of comprehensive environmental, compliance and waste management services to the marine and rail transportation, general industrial and energy industries. The addition of NRC's substantial service network strengthens and expands US Ecology's suite of environmental services, including new oil and gas exploration and production landfill disposal capabilities, and provides expanded opportunities to establish US Ecology as a leader in standby and emergency response services.

The total merger consideration was $1,024.8 million, comprised of the following:

$s in thousands	November 1, 2019
Fair value of US Ecology common stock issued (1)	$ 581,101
Fair value of replacement warrants issued (2)	44,858
Fair value of replacement restricted stock units issued (3)	141
Fair value of replacement stock options (4)	360
Repayment of NRC's term loan and revolving credit facility	398,373
Total merger consideration	$ 1,024,833

(1) The fair value of US Ecology common stock issued was calculated based on 9,337,949 shares of US Ecology common stock multiplied by the closing price of US Ecology common stock of $62.23 per share on October 31, 2019, the day immediately preceding the closing of the NRC Merger.

(2) The fair value of replacement warrants issued was calculated based on 3,772,753 replacement warrants multiplied by the fair value per warrant of $11.89. The fair value per warrant was based on the closing price of the replaced NRC warrants (NYSE: NRCG.WS) of $2.33 on October 31, 2019, the day immediately preceding the closing of the NRC Merger, divided by the exchange ratio of 0.196 pursuant to the NRC Merger Agreement.

(3) The fair value of replacement restricted stock units issued was calculated based on 118,239 replacement restricted stock units multiplied by the closing price of US Ecology common stock of $62.23 per share on October 31, 2019, the day immediately preceding the closing of the NRC Merger, further multiplied by the ratio of the precombination service period to the remaining vesting period, or approximately 1.9%.

(4) The fair value of replacement stock options issued was calculated based on 29,400 replacement stock options multiplied by the fair value per option of $12.26. The fair value per option was calculated using the Black-Scholes option pricing model, with the following weighted-average assumptions: strike price of $52.30 per option, dividend yield of 1.2%; expected volatility of 28.9%; average risk-free interest rate of 1.5%; and an expected term of 1 year. The replacement stock options became fully vested at the merger date therefore the entire fair value is considered merger consideration.

The payment of transaction fees and expenses and repayment of $398.4 million of NRC's debt were funded using proceeds from a new $450.0 million seven-year term loan. See Note 16 for additional information on the Company's debt.

As of October 31, 2020, the Company finalized the purchase accounting for NRC Merger. The following table summarizes the consideration paid for NRC and the fair value estimates of assets acquired and liabilities assumed, recognized at the acquisition date, with purchase price allocation adjustments since the preliminary purchase price allocation as previously disclosed as of December 31, 2019:

$s in thousands	As Reported in 2019 Form 10-K	Adjustments	As Retrospectively Adjusted
Current assets	$ 131,653	$ (1,543)	$ 130,110
Property and equipment	197,045	(26,837)	170,208
Identifiable intangible assets	303,600	5,900	309,500
Other assets	41,687	—	41,687
Current liabilities	(83,460)	(6,273)	(89,733)
Deferred income tax liabilities	(56,596)	1,622	(54,974)
Other liabilities	(57,581)	(1,782)	(59,363)
Total identifiable net assets	476,348	(28,913)	447,435
Goodwill	548,485	28,913	577,398
Total purchase price	$ 1,024,833	$ —	$ 1,024,833

Purchase price allocation adjustments related primarily to the receipt of additional information regarding the fair values of property and equipment, intangible assets, accrued liabilities, deferred income taxes and residual goodwill.

Goodwill of $577.4 million arising from the acquisition is primarily attributable to the assembled workforce of NRC and expected synergies from combining operations. $399.5 million of the goodwill recognized was allocated to our Energy Waste segment and $177.9 million of the goodwill recognized was allocated to our Field Services segment. We expect $33.3 million of the acquired goodwill to be deductible for income tax purposes.

The fair value of identifiable intangible assets related to the acquisition of NRC by major intangible asset class and corresponding weighted average amortization period are as follows:

$s in thousands	Fair Value	Average Amortization Period (Years)
Amortizing intangible assets:		
Customer relationships - noncontractual	$ 199,600	14
Customer relationships - contractual	34,400	7
Permits and licenses	8,700	16
Tradenames	6,100	2
Non-compete agreements	3,300	2
Total identified amortizing intangible assets	252,100	
Non-amortizing intangible assets:		
Permits and licenses	57,400	n/a
Total identified intangible assets	$ 309,500	

The following unaudited pro forma financial information presents the combined results of operations as if NRC had been combined with US Ecology as of January 1, 2018. The pro forma financial information includes the accounting effects of the business combination, including the amortization of intangible assets, depreciation of property, plant and equipment, and interest expense. The unaudited pro forma financial information is presented for informational purposes only and is not indicative of the results of operations that would have been achieved if the acquisition had taken place at the beginning of the periods presented, nor should it be taken as indication of our future consolidated results of operations.

	(unaudited)	
$s in thousands	**2019**	**2018**
Pro forma combined:		
Revenue	$ 1,048,745	$ 923,947
Net income (loss)	$ 11,775	$ (12,296)

The amounts of revenue and operating loss from NRC included in the Company's consolidated statements of operations for the year ended December 31, 2020 was $318.7 million and $417.4 million, respectively. The amounts of revenue and operating loss from NRC included in the Company's consolidated statements of operations for the year ended December 31, 2019 was $70.2 million and $9.1 million, respectively. NRC Merger-related business development and integration expenses of $11.5 million and $24.4 million are included in Selling, general and administrative expenses in the Company's consolidated statements of operations for the year ended December 31, 2020 and 2019, respectively.

Acquisition of Impact Environmental Services, Inc.

On January 28, 2020, we acquired Impact Environmental Services, Inc., an industrial cleaning and environmental services company based in Romulus, Michigan for $3.3 million. The acquired operations are reported as part of our Field Services segment, however, revenues, net income, earnings per share and total assets are not material to our consolidated financial position or results of operations.

We allocated the purchase price to the assets acquired and liabilities assumed based on estimates of the fair value at the date of the acquisition, resulting in $300,000 allocated to goodwill and $900,000 allocated to amortizing intangible assets (primarily customer relationships) to be amortized over a weighted average life of approximately 12 years. All of the goodwill recognized was assigned to our Field Services segment and is expected to be deductible for income tax purposes over a 15-year amortization period.

W.I.S.E. Environmental Solutions Inc.

On August 1, 2019, we acquired 100% of the outstanding shares of W.I.S.E. Environmental Solutions Inc. ("US Ecology Sarnia"), an equipment rental and waste services company based in Sarnia, Ontario, Canada for 23.5 million Canadian dollars, which translated to $17.9 million at the time of transaction and was funded with borrowings under the Credit Agreement. US Ecology Sarnia is reported as part of our Field Services segment. The Company assessed the revenues, net income, earnings per share and total assets of US Ecology Sarnia and concluded they are not material to our consolidated financial position or results of operations. As such, pro forma financial information has not been provided.

We allocated the purchase price to the assets acquired and liabilities assumed based on estimates of the fair value at the date of the acquisition, resulting in $7.7 million allocated to goodwill and $6.2 million allocated to intangible assets (primarily customer relationships) to be amortized over a weighted average life of approximately 14 years.

Goodwill of $7.7 million arising from the acquisition is attributable to the assembled workforce and the future economic benefits of synergies with our other regional facilities and expansion into new markets. All of the goodwill recognized was assigned to our Field Services segment and is not expected to be deductible for income tax purposes.

ES&H of Dallas, LLC

On August 31, 2018, the Company acquired ES&H of Dallas, LLC ("ES&H Dallas"), which provides emergency and spill response, light industrial services and transportation and logistics for waste disposal and recycling from locations in Dallas

and Midland, Texas. The total purchase price was $21.3 million and was funded with cash on hand. The ES&H Dallas facilities are reported as part of our Field Services segment. The Company assessed the revenues, net income, earnings per share and total assets of ES&H Dallas and concluded they are not material to our consolidated financial position or results of operations either individually or when aggregated with other acquisitions completed in 2018. As such, pro forma financial information has not been provided.

We allocated the purchase price to the assets acquired based on estimates of the fair value at the date of acquisition, resulting in $10.0 million allocated to property and equipment and other current assets, $7.1 million allocated to goodwill and $4.2 million allocated to intangible assets (consisting primarily of customer relationships) to be amortized over a weighted average life of approximately 13 years. No liabilities were assumed in the acquisition.

Goodwill of $7.1 million arising from the acquisition is attributable to the assembled workforce and the future economic benefits of synergies with our other Texas facilities and expansion into new markets. All of the goodwill recognized was assigned to our Field Services segment and is expected to be deductible for income tax purposes over a 15-year amortization period.

Ecoserv Industrial Disposal, LLC

On November 14, 2018, the Company acquired Ecoserv Industrial Disposal, LLC ("Winnie"), which provides non-hazardous industrial wastewater disposal solutions and employs deep-well injection technology in the southern United States. The total purchase price was $87.2 million and was funded with $87.0 million in borrowings under the Credit Agreement and cash on hand. Winnie is reported as part of our Waste Solutions segment. The Company assessed the revenues, net income, earnings per share and total assets of Winnie and concluded they are not material to our consolidated financial position or results of operations either individually or when aggregated with other acquisitions completed in 2018. As such, pro forma financial information has not been provided.

As of December 31, 2019, the Company finalized the purchase accounting for the acquisition of Winnie. The following table summarizes the final Winnie purchase price allocation:

$s in thousands	Purchase Price Allocation
Current assets	$ 1,860
Property and equipment	3,699
Identifiable intangible assets	66,500
Current liabilities	(755)
Other liabilities	(512)
Total identifiable net assets	70,792
Goodwill	16,436
Total purchase price	$ 87,228

The fair value of identifiable intangible assets related to the acquisition of Winnie consisted of $54.7 million in permits to be amortized over a life of 60 years, and $11.8 million in customer relationships to be amortized over a life of 15 years.

Goodwill of $16.4 million arising from the acquisition is attributable to the future economic benefits of expansion into the deep-well injection market and the assembled workforce. All of the goodwill recognized was assigned to our Waste Solutions segment and is expected to be deductible for income tax purposes over a 15-year amortization period.

NOTE 6. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in accumulated other comprehensive income (loss) ("AOCI") consisted of the following:

$s in thousands	Foreign Currency Translation	Unrealized Gain (Loss) on Interest Rate Hedge	Total
Balance at December 31, 2018	$ (14,697)	$ 906	$ (13,791)
Other comprehensive income (loss) before reclassifications, net of tax	3,772	(1,700)	2,072
Amounts reclassified out of AOCI, net of tax (1)	—	(135)	(135)
Other comprehensive income (loss), net	3,772	(1,835)	1,937
Balance at December 31, 2019	$ (10,925)	$ (929)	$ (11,854)
Other comprehensive income (loss) before reclassifications, net of tax	3,055	(8,494)	(5,439)
Amounts reclassified out of AOCI, net of tax (2)	—	2,635	2,635
Other comprehensive income (loss), net	3,055	(5,859)	(2,804)
Balance at December 31, 2020	$ (7,870)	$ (6,788)	$ (14,658)

(1) Before-tax reclassifications of $170,000 ($135,000 after-tax) for the year ended December 31, 2019 were included as a reduction of Interest expense in the Company's consolidated statements of operations. Amount relates to the Company's interest rate swap which is designated as a cash flow hedge. Changes in fair value of the swap recognized in AOCI are reclassified to interest expense when hedged interest payments on the underlying long-term debt are made.

(2) Before-tax reclassifications of $3.3 million ($2.6 million, after-tax) for the year ended December 31, 2020 were included in Interest expense in the Company's consolidated statements of operations. Amount relates to the Company's interest rate swap which is designated as a cash flow hedge. Changes in fair value of the swap recognized in AOCI are reclassified to interest expense when hedged interest payments on the underlying long-term debt are made. Amounts in AOCI expected to be recognized as interest expense over the next 12 months total approximately $3.6 million ($2.8 million after tax).

NOTE 7. DISCLOSURE OF SUPPLEMENTAL CASH FLOW INFORMATION

$s in thousands	For the Year Ended December 31, 2020	2019	2018
Income taxes and interest paid:			
Income taxes paid, net of receipts	$ 7,774	$ 14,777	$ 19,580
Interest paid	28,433	17,204	11,246
Non-cash investing and financing activities:			
Fair value of equity issued for acquisition of NRC	$ —	$ 626,460	$ —
Adjustments to closure/post-closure retirement asset	5,422	(221)	99
Capital expenditures in accounts payable	4,712	2,882	1,601
Acquisition of equipment with financing arrangements	6,197	2,481	747
Restricted stock issuances from treasury shares	2,491	514	11

NOTE 8. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities recorded at fair value are categorized using defined hierarchical levels directly related to the amount of subjectivity associated with the inputs to fair value measurements, as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;

- Level 2 - Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 - Unobservable inputs in which little or no market activity exists, requiring an entity to develop its own assumptions that market participants would use to value the asset or liability.

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, restricted cash and investments, accounts payable and accrued liabilities, debt, interest rate swap agreements and contingent consideration. The estimated fair value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their carrying value due to the short-term nature of these instruments.

On September 19, 2019, the Company invested $7.9 million in the preferred stock of a privately held company which is included in Other assets in the Company's consolidated balance sheets. The investment does not have a readily determinable fair value therefore the investment is valued at cost, less impairment, plus or minus observable price changes of an identical or similar investment of the same issuer, if any. As of December 31, 2020, there have been no identified events or changes in circumstances that would indicate the cost method investment should be impaired nor have there been any observable price changes of an identical or similar investment of the same issuer.

The Company estimates the fair value of its variable-rate debt using Level 2 inputs, such as interest rates, related terms and maturities of similar obligations. At December 31, 2020, the fair value of the Company's variable rate term loan was estimated to be $446.1 million, and the carrying value of the Company's variable-rate revolving credit facility approximates fair value due to the short-term nature of the interest rates.

The Company estimates the fair value of its contingent consideration liabilities using Level 3 inputs, including both observable and unobservable inputs. As a result, unrealized gains and losses may include changes in fair value that are attributable to both observable (e.g., changes in market interest rates) and unobservable (e.g., changes in unobservable long-dated volatilities) inputs.

The Company's assets and liabilities measured at fair value on a recurring basis at December 31, 2020 and 2019 consisted of the following:

	2020			
$s in thousands	**Quoted Prices in Active Markets (Level 1)**	**Other Observable Inputs (Level 2)**	**Unobservable Inputs (Level 3)**	**Total**
Assets:				
Fixed-income securities [1]	$ 2,914	$ 1,427	$ —	$ 4,341
Money market funds [2]	1,319	—	—	1,319
Total	$ 4,233	$ 1,427	$ —	$ 5,660
Liabilities:				
Interest rate swap agreement [3]	$ —	$ 9,744	$ —	$ 9,744
Contingent consideration [4]	—	—	2,173	2,173
Total	$ —	$ 9,744	$ 2,173	$ 11,917

$s in thousands	2019 Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Assets:				
Fixed-income securities [1]	$ 2,380	$ 1,830	$ —	$ 4,210
Money market funds [2]	859	—	—	859
Total	$ 3,239	$ 1,830	$ —	$ 5,069
Liabilities:				
Interest rate swap agreement [3]	$ —	$ 1,176	$ —	$ 1,176
Contingent consideration [4]	—	—	8,283	8,283
Total	$ —	$ 1,176	$ 8,283	$ 9,459

(1) We invest a portion of our Restricted cash and investments in fixed-income securities, including U.S. Treasury and U.S. agency securities. We measure the fair value of U.S. Treasury securities using quoted prices for identical assets in active markets. We measure the fair value of U.S. agency securities using observable market activity for similar assets. The fair value of our fixed-income securities approximates our cost basis in the investments.

(2) We invest portions of our Cash and cash equivalents and Restricted cash and investments in money market funds. We measure the fair value of these money market fund investments using quoted prices for identical assets in active markets. The portion of Restricted cash and investments that is invested in money market funds is considered restricted cash for purposes of reconciling the beginning-of-period and end-of-period amounts presented in the Company's consolidated statements of cash flows.

(3) In order to manage interest rate exposure, we entered into an interest rate swap agreement in March 2020 and October 2014 that effectively convert a portion of our variable-rate debt to a fixed interest rate. In connection with our entry into the March 2020 interest rate swap, we terminated the October 2014 interest rate swap prior to its scheduled maturity date of June 2021. The March 2020 interest rate swap is designated as a highly-effective cash flow hedge, with gains and losses deferred in other comprehensive income to be recognized as an adjustment to interest expense in the same period that the hedged interest payments affect earnings. The October 2014 interest rate swap was also designated as a highly effective cash flow hedge. The March 2020 interest rate swap has an effective date of March 31, 2020 in an initial notional amount of $500.0 million. The fair value of the interest rate swap agreement represents the difference in the present value of cash flows calculated (i) at the contracted interest rates and (ii) at current market interest rates at the end of the period. We calculate the fair value of interest rate swap agreements quarterly based on the quoted market price for the same or similar financial instruments. The fair value of the interest rate swap agreements are included in Other long-term liabilities in the Company's consolidated balance sheets as of December 31, 2020 and 2019, respectively.

(4) Our contingent consideration liabilities represent the estimated fair value of potential future payments the Company may be required to remit under the terms of historical purchase agreements entered into by NRC prior to the NRC Merger. The payments are contingent on the acquired businesses' achievement of annual earnings targets in certain years and other events considered in the purchase agreements. The fair value of our contingent consideration liabilities are calculated using either a Monte Carlo simulation or modified Black-Scholes analyses based on earnings projections for the respective earn-out periods, corresponding earnings thresholds, and approximate timing of payments as outlined in the purchase agreements. The analyses utilize the following assumptions: (i) expected term; (ii) risk-adjusted net sales or earnings; (iii) risk-free interest rate; and (iv) expected volatility of earnings. Estimated payments, as determined through the respective models, are discounted by a credit spread assumption to account for credit risk. At December 31, 2020, the fair value of our contingent consideration liabilities of $2.2 million were included in Accrued liabilities. At December 31, 2019, the fair value of our contingent consideration liabilities of $6.6 million and $1.7 million were included in Accrued liabilities and Other long-term liabilities, respectively. We revalue our contingent consideration payments each period and any increases or decreases to fair value are included in Selling, general and administrative expenses in our consolidated statements of operations. Fair values may be impacted by certain unobservable inputs, most significantly with regard to discount rates, expected volatility and historical and

projected performance. Significant changes to these inputs in isolation could result in a significantly different fair value measurement.

Changes in Level 3 liabilities measured at fair value for the years ended December 31, 2020 and 2019 are as follows:

$s in thousands	2020	2019
Contingent consideration, beginning of period	$ 8,283	$ —
Fair value of contingent consideration acquired	—	11,859
Change in fair value of contingent consideration	(3,682)	349
Contingent consideration paid	(2,517)	(4,000)
Foreign currency translation	89	75
Contingent consideration, end of period	$ 2,173	$ 8,283

NOTE 9. CONCENTRATIONS AND CREDIT RISK

Major Customers

No customer accounted for more than 10% of total revenue for the years ended December 31, 2020, 2019 or 2018.

No customer accounted for more than 10% of total receivables as of December 31, 2020 or 2019.

Credit Risk Concentration

We maintain most of our cash and cash equivalents with nationally recognized financial institutions. Substantially all balances are uninsured and are not used as collateral for other obligations. Concentrations of credit risk on accounts receivable are believed to be limited due to the number, diversification and character of the obligors and our credit evaluation process. Credit risk associated with a portion of the Company's trade receivables is reduced by our ability to submit claims to the Oil Spill Liability Trust Fund ("OSLTF") for reimbursement of unpaid customer receivables related to services regulated under the provisions of the Oil Pollution Act of 1990 ("OPA 90"). As of December 31, 2020, the Company did not have any trade receivables that are eligible for submission to the OSLTF for reimbursement.

Labor Concentrations

As of December 31, 2020, approximately 500, or approximately 14%, of our employees were covered by collective bargaining agreements with various labor unions. Approximately 46% of these employees are covered by collective bargaining agreements that expired and are in negotiation as of December 31, 2020, or expire within one year of December 31, 2020.

NOTE 10. RECEIVABLES

Receivables as of December 31, 2020 and 2019 consisted of the following:

$s in thousands	2020	2019
Trade	$ 186,502	$ 196,593
Unbilled revenue	52,858	54,727
Other	5,554	7,000
Total receivables	244,914	258,320
Allowance for credit losses	(2,936)	(3,010)
Receivables, net	$ 241,978	$ 255,310

The allowance for credit losses is a provision for uncollectible accounts receivable and unbilled receivables. The allowance is evaluated and adjusted to reflect our expected credit losses based on collection history and an analysis of the accounts receivables aging. The allowance is decreased by accounts receivable as they are written off. The allowance is adjusted periodically to reflect actual experience. The change in the allowance during 2020, 2019 and 2018 was as follows:

$s in thousands	Balance at Beginning of Period	Charged (Credited) to Costs and Expenses	Recoveries (Deductions/ Write-offs)	Adjustments	Balance at End of Period
Year ended December 31, 2020	$ 3,010	$ (412)	$ 296	$ 42	$ 2,936
Year ended December 31, 2019	$ 2,998	$ 226	$ (439)	$ 225	$ 3,010
Year ended December 31, 2018	$ 2,796	$ 436	$ (213)	$ (21)	$ 2,998

NOTE 11. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2020 and 2019 consisted of the following:

$s in thousands	2020	2019
Cell development costs	$ 186,170	$ 174,561
Land and improvements	65,953	52,909
Buildings and improvements	128,206	109,580
Railcars	17,299	17,299
Vehicles, vessels and other equipment	331,167	317,472
Construction in progress	44,840	61,537
Total property and equipment	773,635	733,358
Accumulated depreciation and amortization	(316,998)	(254,590)
Property and equipment, net	$ 456,637	$ 478,768

Depreciation and amortization expense was $66.6 million, $41.4 million and $29.2 million for the years ended December 31, 2020, 2019 and 2018, respectively.

NOTE 12. LEASES

We lease certain facilities, office space, land and equipment. Our lease payments are primarily fixed, but also include variable payments that are based on usage of the leased asset. Initial lease terms range from one to 15 years, and may include one or more options to renew, with renewal terms extending a lease up to 40 years. None of our renewal options are considered reasonably certain to be exercised. Provisions for residual value guarantees exist in some of our equipment leases, however amounts associated with these provisions are not material. Our leases do not include any material restrictive covenants.

Leases with an initial term of 12 months or less are not recorded on the balance sheet and expense is recognized on a straight-line basis over the lease term. We combine lease and non-lease components in our leases. We use the rate implicit in the lease, when available, to discount lease payments to present value. However, many of our leases do not provide a readily determinable implicit rate and we estimate our incremental borrowing rate to discount payments based on information available at lease commencement.

Lease assets and liabilities as of December 31, 2020 and 2019 consisted of the following:

$s in thousands	2020	2019
Assets:		
Operating right-of-use assets (1)	$ 51,474	$ 57,396
Finance right-of-use assets (2)	21,209	20,499
Total	$ 72,683	$ 77,895
Liabilities:		
Current:		
Operating (3)	$ 17,048	$ 17,317
Finance (4)	4,462	4,128
Long-term:		
Operating (5)	35,069	39,954
Finance (6)	17,501	16,308
Total	$ 74,080	$ 77,707

(1) Included in Operating lease assets in the Company's consolidated balance sheets.
(2) Included in Property and equipment, net in the Company's consolidated balance sheets. Finance right-of-use assets are recorded net of accumulated amortization of $8.0 million and $2.7 million as of December 31, 2020 and December 31, 2019, respectively.
(3) Included in Current portion of operating lease liabilities in the Company's consolidated balance sheets.
(4) Included in Accrued liabilities in the Company's consolidated balance sheets.
(5) Included in Long-term operating lease liabilities in the Company's consolidated balance sheets.
(6) Included in Other long-term liabilities in the Company's consolidated balance sheets.

Lease expense consisted of the following:

	Year Ended December 31,	
$s in thousands	2020	2019
Operating lease cost (1)	$ 20,880	$ 9,144
Finance lease cost:		
Amortization of leased assets (2)	5,312	1,641
Interest on lease liabilities (3)	1,221	332
Total	$ 27,413	$ 11,117

(1) Included in Direct operating costs and Selling, general, and administrative expenses in the Company's consolidated statements of operations. Operating lease cost includes short-term leases, excluding expenses relating to leases with a term of one month or less, which are not material. Operating lease cost excludes variable lease costs which are not material.
(2) Included in Direct operating costs in the Company's consolidated statements of operations.
(3) Included in Interest expense in the Company's consolidated statements of operations.

Supplemental cash flow information related to our leases is as follows:

$s in thousands	Year Ended December 31, 2020	2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 20,297	$ 8,656
Operating cash flows from finance leases	$ 1,221	$ 332
Financing cash flows from finance leases	$ 4,659	$ 1,298
Non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 13,576	$ 7,380
Right-of-use assets obtained in exchange for new finance lease liabilities	$ 6,197	$ 2,481

Other information related to our leases as of December 31, 2020 and 2019 is as follows:

	2020	2019
Weighted-average remaining lease term (years):		
Operating leases	4.1	4.4
Finance leases	4.0	4.5
Weighted-average discount rate:		
Operating leases	3.69 %	3.80 %
Finance leases	5.86 %	5.07 %

The Company's maturity analysis of its lease liabilities as of December 31, 2020 is as follows:

$s in thousands	Operating Leases	Finance Leases	Total
2021	$ 17,819	$ 5,944	$ 23,763
2022	14,076	5,560	19,636
2023	10,938	5,668	16,606
2024	6,877	3,929	10,806
2025	2,627	3,807	6,434
Thereafter	4,163	1,014	5,177
Total	$ 56,500	$ 25,922	$ 82,422
Less: Interest	4,383	3,959	8,342
Present value of lease liabilities	$ 52,117	$ 21,963	$ 74,080

NOTE 13. GOODWILL AND INTANGIBLE ASSETS

Changes in goodwill for the years ended December 31, 2020 and 2019 were as follows:

	Waste Solutions		Field Services		Energy Waste		
$s in thousands	Gross	Accumulated Impairment	Gross	Accumulated Impairment	Gross	Accumulated Impairment	Total
Balance at December 31, 2018	$ 162,816	$ (6,870)	$ 51,231	$ —	$ —	$ —	$ 207,177
Preliminary NRC Merger purchase price allocation	—	—	239,629	—	308,856	—	548,485
US Ecology Sarnia acquisition	—	—	7,668	—	—	—	7,668
Winnie purchase price allocation adjustment	2,863	—	—	—	—	—	2,863
Foreign currency translation	736	—	51	—	—	—	787
Balance at December 31, 2019	$ 166,415	$ (6,870)	$ 298,579	$ —	$ 308,856	$ —	$ 766,980
Impairment charges	—	—	—	(19,900)	—	(363,900)	(383,800)
NRC Merger purchase price allocation adjustment	—	—	(61,735)	—	90,647		28,912
Impact Environmental acquisition	—	—	300	—			300
Foreign currency translation	448	—	197	—			645
Balance at December 31, 2020	$ 166,863	$ (6,870)	$ 237,341	$ (19,900)	$ 399,503	$ (363,900)	$ 413,037

We assess goodwill for impairment during the fourth quarter as of October 1 of each year, and also if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The assessment consists of comparing the fair value of the reporting unit to the carrying value of the net assets assigned to the reporting unit, including goodwill.

Fair values are generally determined by an income approach, discounting projected future cash flows based on our expectations of the current and future operating environment, using a market approach, applying a multiple of earnings based on guideline for publicly traded companies, or a combination thereof. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. The rates used to discount projected future cash flows reflect a weighted average cost of capital based on our industry, capital structure and risk premiums including those reflected in the current market capitalization. In the event the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired. If the carrying amount of a reporting unit exceeds its fair value, goodwill of the reporting unit is considered impaired, and an impairment charge would be recognized during the period in which the determination has been made for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized will not exceed the total amount of goodwill allocated to that reporting unit.

Assessing impairment inherently involves management judgments as to the assumptions used to calculate fair value of the reporting units and the impact of market conditions on those assumptions. The key inputs that management uses in its assumptions to estimate the fair value of our reporting units under the income-based approach are as follows:

- Projected cash flows of the reporting unit, with consideration given to projected revenues, operating margins and the levels of capital investment required to generate the corresponding revenues; and

- Weighted average cost of capital ("WACC"), the risk-adjusted rate used to discount the projected cash flows.

To develop the projected cash flows of our reporting units, management considers factors that may impact the revenue streams within each reporting unit. These factors include, but are not limited to, economic conditions on both a global scale and specifically in the regions in which the reporting units operate, customer relationships, strategic plans and opportunities, required returns on invested capital and competition from other service providers. With regard to operating margins, management considers its historical reporting unit operating margins on the revenue streams within each reporting unit, adjusting historical margins for the projected impact of current market trends on both fixed and variable costs.

Expected future after-tax operating cash flows of each reporting unit are discounted to a present value using a risk-adjusted discount rate. Estimates of future cash flows require management to make significant assumptions regarding future operating performance including the projected mix of revenue streams within each reporting unit, projected operating margins, the amount and timing of capital investments and the overall probability of achieving the projected cash flows, as well as future economic conditions, which may result in actual future cash flows that are different than management's estimates. The discount rate, which is intended to reflect the risks inherent in future cash flow projections, used in estimating the present value of future cash flows, is based on estimates of the WACC of market participants relative to the reporting units. Financial and credit market volatility can directly impact certain inputs and assumptions used to develop the WACC.

In connection with our financial review and forecasting procedures performed during the first quarter of 2020, management determined that the projected future cash flows of our EW reporting unit and our International reporting unit (described below) indicated that the fair value of such reporting units may be below their respective carrying amounts. Accordingly, we performed an interim assessment of each reporting unit's fair value as of March 31, 2020 (the "Interim Assessment"). Based on the results of the Interim Assessment, we recognized goodwill impairment charges of $283.6 million related to our EW reporting unit and $16.7 million related to our International reporting unit in the first quarter of 2020. During the fourth quarter of 2020, the Company finalized the purchase price allocation related to the NRC Merger. The finalization of fair value estimates during the fourth quarter of 2020, and resulting final determination of goodwill by reporting unit, resulted in an increase in the amount of goodwill assigned to the EW reporting unit and a decrease in the amount of goodwill assigned to the International reporting unit. $80.3 million of additional goodwill assigned to the EW reporting unit was immediately impaired in the fourth quarter of 2020 based on the fair value of the reporting unit determined in the Interim Assessment. The decrease in goodwill assigned to the International reporting unit resulted in the reversal in the fourth quarter of 2020 of $11.2 million of International reporting unit goodwill impairment charges recorded in the first quarter of 2020.

Our EW reporting unit, the sole component of our Energy Waste segment, provides energy-related services including solid and liquid waste treatment and disposal, equipment cleaning and maintenance, specialty equipment rental, spill containment and site remediation for a full complement of oil and gas waste streams, predominately to upstream energy customers currently concentrated in the Eagle Ford and Permian Basins in Texas. Our International reporting unit, a component of our Field Services segment, provides industrial and emergency response services to the offshore oil and gas sector in the North Sea and land-based industries across the EMEA region. Both our EW and International reporting units are dependent on energy-related exploration and production investments and expenditures by our energy industry customers. Lower crude oil prices and the volatility of such prices affect the level of investment as it impacts the ability of energy companies to access capital on economically advantageous terms or at all. In addition, energy companies decrease investments when the projected profits are inadequate or uncertain due to lower crude oil prices or volatility in crude oil prices. Such reductions in capital spending negatively impact energy waste generation and therefore the demand for our services. Recent volatility and historically low oil prices have adversely impacted customers of our EW reporting unit and our International reporting unit, negatively affecting demand for our services.

The principal factors contributing to the goodwill impairment charges for both the EW and International reporting units related to historically-low energy commodity prices reducing anticipated energy-related exploration and production investments and expenditures by our energy industry customers, which negatively impacted each reporting unit's prospective cash flows and each reporting unit's estimated fair value. A longer-than-expected recovery in crude oil pricing and energy-related exploration and production investments became evident during the first quarter of 2020 as we assessed

the projected impact of the COVID-19 pandemic and foreign oil production increases on the global demand for oil and updated the long-term projections for each reporting unit which, as a result, decreased each reporting unit's anticipated future cash flows as compared to those estimated previously.

Consistent with our annual impairment testing methodology, we utilized a weighted average of (1) an income approach and (2) a market approach to determine the fair value of each of the reporting units for the Interim Assessment. The income approach is based on the estimated present value of future cash flows for each reporting unit. The market approach is based on assumptions about how market data relates to each reporting unit.

The rapid and sustained decline in the energy markets served by our EW and International reporting units, exacerbated by the uncertainty surrounding the impact of the COVID-19 pandemic and foreign oil production increases, has inherently increased the risk associated with the future cash flows of these reporting units. Accordingly, when performing the Interim Assessment, we increased the discount rates and decreased the projected capital investment for each reporting unit compared to the assumptions used in the initial fair value assessment in connection with the NRC Merger on November 1, 2019. We believe these changes are reflective of market participant inputs in consideration of the current economic uncertainty.

We also considered the estimated fair value of our EW and International reporting units under a market-based approach by applying industry-comparable multiples of revenues and operating earnings to reporting unit revenues and operating earnings. The lack of a broad base of publicly available market data specific to the industry in which we operate, combined with the general market volatility attributable to the COVID-19 pandemic, results in a wide range of currently observable market multiples. Accordingly, we applied less weight to the estimated fair value of our reporting units calculated under the market-based approach (10%) compared to the income approach (90%) described above.

We believe that the discount rates, projected cash flows and other inputs and assumptions used in the Interim Assessment are consistent with those that a market participant would use based on the events described above and are reflective of the current market assessment of the fair value of our EW and International reporting units. In addition, we believe that our estimates and assumptions about future revenues and margin projections in the Interim Assessment were reasonable and consistent with the current economic uncertainty, both in general and specific to the energy markets served by our EW and International reporting units.

The result of the annual assessment of goodwill undertaken in the fourth quarter of 2020 indicated that the fair value of each of our reporting units was in excess of its respective carrying value, with the exception of our Field Services reporting unit.

Our Field Services reporting unit, a component of our Field Services segment, offers specialty field services and total waste management solutions to commercial and industrial facilities and to government entities through our 10-day transfer facilities and at customer sites. Consistent with prior assessments, we utilized a weighted average of (1) an income approach and (2) a market approach to determine the fair value of each of the Field Services reporting unit. The income approach is based on the estimated present value of future cash flows for the reporting unit. The market approach is based on assumptions about how market data relates to the reporting unit. The estimated fair value of the Field Services reporting unit was then compared to the reporting unit's carrying amount as of October 1, 2020. Based on the results of that comparison, the carrying amount of the Field Services reporting unit exceeded the estimated fair value of the reporting unit by $14.4 million and, as a result, we recognized a corresponding goodwill impairment charge in the fourth quarter of 2020. The factors contributing to the $14.4 million goodwill impairment charge principally related to an increase in the risk-adjusted rate used to discount the projected cash flows of the reporting unit as a result of the decline in our share price since the last annual assessment as well as a slower than expected recovery to cash flow levels forecasted prior to the COVID-19 pandemic, which negatively impacted the reporting unit's prospective financial information in its discounted cash flow model and the reporting unit's estimated fair value as compared to previous estimates.

We believe that the discount rates, projected cash flows and other inputs and assumptions used in the annual assessment of goodwill are consistent with those that a market participant would use based on the facts and circumstances described above and are reflective of the current market assessment of the fair value of our Field Services and EW reporting units. In addition, we believe that our estimates and assumptions about future revenues and margin projections in the annual

assessment were reasonable and consistent with the current economic outlook, both in general and specific to the markets served by our Field Services and EW reporting units.

The result of the annual assessment of goodwill undertaken in the fourth quarter of 2019 indicated that the fair value of each of our reporting units was in excess of its respective carrying value.

Intangible assets as of December 31, 2020 and 2019 consisted of the following:

	2020			2019		
$s in thousands	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Amortizing intangible assets:						
Permits, licenses and lease	$ 174,885	$ (23,005)	$ 151,880	$ 174,339	$ (18,707)	$ 155,632
Customer relationships	340,032	(61,778)	278,254	333,090	(35,254)	297,836
Technology - formulae and processes	7,142	(2,293)	4,849	6,964	(2,013)	4,951
Customer backlog	3,652	(2,387)	1,265	3,652	(2,022)	1,630
Tradename	10,390	(8,015)	2,375	10,390	(4,832)	5,558
Developed software	2,902	(2,182)	720	2,895	(1,884)	1,011
Non-compete agreements	5,571	(4,318)	1,253	5,455	(1,694)	3,761
Internet domain and website	536	(184)	352	536	(156)	380
Database	389	(214)	175	388	(191)	197
Total amortizing intangible assets	545,499	(104,376)	441,123	537,709	(66,753)	470,956
Non-amortizing intangible assets:						
Permits and licenses	82,732	—	82,732	103,816	—	103,816
Tradename	133	—	133	130	—	130
Total intangible assets	$ 628,364	$ (104,376)	$ 523,988	$ 641,655	$ (66,753)	$ 574,902

We review non-amortizing intangible assets for impairment during the fourth quarter as of October 1 of each year. Fair value is generally determined by considering an internally developed discounted projected cash flow analysis. Estimating future cash flows requires significant judgment about factors such as general economic conditions and projected growth rates, and our estimates often vary from the cash flows eventually realized. If the fair value of an asset is determined to be less than the carrying amount of the intangible asset, an impairment in the amount of the difference is recorded in the period in which the annual assessment occurs.

The results of the annual assessment of non-amortizing intangible assets undertaken in the fourth quarter of 2020 indicated no impairment charges were required, with the exception of certain non-amortizing permit intangibles within our Field Services segment.

Our Field Services segment provides government-mandated, commercial standby oil spill compliance solutions to companies that store, transport, produce or handle petroleum and certain nonpetroleum oils on or near U.S. waters. A company's ability to provide these standby services is subject to significant regulatory certification requirements and other high barriers to entry. As such, the Company assigned $57.1 million of fair value to non-amortizing standby services permit intangible assets upon finalization of the purchase accounting allocation related to the NRC Merger. In performing the annual indefinite-lived intangible assets impairment tests, the estimated fair value of the standby services permits was determined under an income approach using discounted projected future cash flows associated with the permits and then compared to the $57.1 million carrying amount of the permits as of October 1, 2020. Based on the results of that evaluation, the carrying amount of the permits exceeded the estimated fair value of the permits and, as a result, we recognized a $21.1 million impairment charge in the fourth quarter of 2020. The factors contributing to the impairment charge principally related to a less favorable outlook on the potential for both significant oil spill events and growth opportunities, which negatively impacted the discounted projected cash flows associated with the standby services permits and their estimated fair value as compared to previous estimates.

The results of the annual assessment of non-amortizing intangible assets undertaken in the fourth quarter of 2019 indicated no impairment charges were required.

On November 1, 2019, the Company completed the NRC Merger and recorded $577.4 million of goodwill, $252.1 million of amortizing intangible assets (consisting primarily of customer relationships) and $57.4 million of non-amortizing intangible assets (consisting of permits and licenses) as a result of the acquisition. See Note 5 for additional information.

On August 1, 2019, the Company acquired US Ecology Sarnia and recorded $7.7 million of goodwill and $6.2 million of amortizing intangible assets (consisting primarily of customer relationships) as a result of the acquisition. See Note 5 for additional information.

Amortization expense relating to intangible assets was $37.3 million, $15.5 million and $9.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Foreign intangible asset carrying amounts are affected by foreign currency translation. Future amortization expense of amortizing intangible assets is expected to be as follows:

$s in thousands	Expected Amortization
2021	$ 34,506
2022	31,397
2023	31,210
2024	30,824
2025	30,581
Thereafter	282,605
	$ 441,123

NOTE 14. EMPLOYEE BENEFIT PLANS

Defined Contribution Plans

We maintain the US Ecology, Inc., 401(k) Savings and Retirement Plan ("the Plan") for employees who voluntarily contribute a portion of their compensation, thereby deferring income for federal income tax purposes. Participants may contribute a percentage of salary up to the IRS limitations. The Company contributes a matching contribution equal to 55% of participant contributions up to 6% of eligible compensation. The Company contributed matching contributions to the Plan of $3.3 million, $3.0 million and $2.5 million in 2020, 2019 and 2018, respectively.

The Company also maintains 401(k) savings and retirement plans ("the NRC Plans") for the employees that joined the Company through the NRC Merger. Participants may contribute a percentage of salary up to the IRS limitations. The Company contributes a matching contribution equal to 55% of participant contributions up to 6% of eligible compensation. The Company contributed matching contributions to the NRC Plans of $2.3 million and $325,000 in 2020 and 2019, respectively.

We also maintain the Stablex Canada Inc. Simplified Pension Plan ("the SPP"). This defined contribution plan covers substantially all of our employees at our Blainville, Québec facility in Canada. Employees represented by the Unifor Section Locale 171 receive a Company contribution equal to 9.5% of eligible compensation. Employees not represented by the union receive a base Company contribution equal to 5% of eligible compensation and an additional matching contribution in an amount up to 2% of eligible compensation. The Company contributed $735,000, $692,000 and $653,000 to the SPP in 2020, 2019 and 2018, respectively.

Multi-Employer Defined Benefit Pension Plans

Certain of the Company's wholly-owned subsidiaries participate in a total of six multi-employer defined benefit pension plans under the terms of collective bargaining agreements covering most of the subsidiaries' union employees. Contributions are determined in accordance with the provisions of negotiated labor contracts and are generally based on stipulated rates per hours worked. Benefits under these plans are generally based on compensation levels and years of service.

The financial risks of participating in multi-employer plans are different from single employer defined benefit pension plans in the following respects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer discontinues contributions to a plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If a participating employer chooses to stop participating in a plan, a withdrawal liability may be created based on the unfunded vested benefits for all employees in the plan.

Information regarding significant multi-employer pension benefit plans in which the Company participates is shown in the following table:

Name of Plan	Plan Employer ID Number	Plan Number	Pension Protection Act Certified Zone Status 2020	Pension Protection Act Certified Zone Status 2019
Operating Engineers Local 324 Pension Fund	38-1900637	001	Red	Red

The Company contributed $1.0 million to the Operating Engineers Local 324 Pension Fund (the "Local 324 Plan") in both 2020 and 2019. The Company also contributed $205,000 and $281,000 to other multi-employer plans in 2020 and 2019, respectively, which are excluded from the table above as they are not individually significant.

Based on information as of April 30, 2020 and 2019, the year end of the Local 324 Plan, the Company's contributions made to the Local 324 Plan represented less than 5% of total contributions received by the Local 324 Plan during the 2020 and 2019 plan years.

The certified zone status in the table above is defined by the Department of Labor and the Pension Protection Act of 2006 and represents the level at which the plan is funded. Plans in the red zone are less than 65% funded; plans in the yellow zone are less than 80% funded; and plans in the green zone are at least 80% funded. The certified zone status is as of the Local 324 Plan's year-end of April 30, 2020 and 2019.

NOTE 15. CLOSURE AND POST-CLOSURE OBLIGATIONS

Our accrued closure and post-closure liability represents the expected future costs, including corrective actions, associated with closure and post-closure of our operating and non-operating disposal facilities. We record the fair value of our closure and post-closure obligations as a liability in the period in which the regulatory obligation to retire a specific asset is triggered. For our individual landfill cells, the required closure and post-closure obligations under the terms of our permits and our intended operation of the landfill cell are triggered and recorded when the cell is placed into service and waste is initially disposed in the landfill cell. The fair value is based on the total estimated costs to close the landfill cell and perform post-closure activities once the landfill cell has reached capacity and is no longer accepting waste. We perform periodic reviews of both non-operating and operating facilities and revise accruals for estimated closure and post-closure, remediation or other costs as necessary. Recorded liabilities are based on our best estimates of current costs and are updated periodically to include the effects of existing technology, presently enacted laws and regulations, inflation and other economic factors.

We do not presently bear significant financial responsibility for closure and/or post-closure care of the disposal facilities located on state-owned land at our Beatty, Nevada site, provincial-owned land in Blainville, Québec; or state-leased federal land on the Department of Energy Hanford Reservation near Richland, Washington. The states of Nevada and Washington and the province of Québec collect fees from us based on the waste received on a quarterly or annual basis. Such fees are deposited in dedicated, government-controlled funds to cover the future costs of closure and post-closure care and

maintenance. Such fees are periodically reviewed for adequacy by the governmental authorities. We maintain a surety bond for closure costs associated with the Stablex facility. Our lease agreement with the province of Québec requires that the surety bond be maintained for 25 years after the lease expires. We also maintain surety bonds for closure costs associated with our energy waste landfills in Texas. Under the terms of our waste disposal permits for these landfills, financial security must be provided to the Railroad Commission of Texas in an amount necessary to close the facility. At December 31, 2020 we had $12.8 million in commercial surety bonds dedicated for closure obligations at our operating and non-operating disposal facilities.

In accounting for closure and post-closure obligations, which represent our asset retirement obligations, we recognize a liability as part of the fair value of future asset retirement obligations and an associated asset as part of the carrying amount of the underlying asset. This obligation is valued based on our best estimates of current costs and current estimated closure and post-closure costs taking into account current technology, material and service costs, laws and regulations. These cost estimates are increased by an estimated inflation rate, estimated to be 2.6% at December 31, 2020. Inflated current costs are then discounted using our credit-adjusted risk-free interest rate, which approximates our incremental borrowing rate, in effect at the time the obligation is established or when there are upward revisions to our estimated closure and post-closure costs. Our weighted-average credit-adjusted risk-free interest rate at December 31, 2020 approximated 5.4%.

Changes to reported closure and post-closure obligations for the years ended December 31, 2020 and 2019, were as follows:

$s in thousands	2020	2019
Closure and post-closure obligations, beginning of period	$ 86,383	$ 78,363
Liabilities assumed in the NRC Merger	—	5,691
NRC Merger purchase price allocation adjustment	1,782	—
Accretion expense	4,000	4,388
Payments	(1,750)	(1,913)
Adjustments	5,422	(221)
Foreign currency translation	32	75
Closure and post-closure obligations, end of period	95,869	86,383
Less current portion	(6,471)	(2,152)
Long-term portion	$ 89,398	$ 84,231

Adjustment to the obligations represents changes in the expected timing or amount of cash expenditures based upon actual and estimated cash expenditures. The adjustments in 2020 were primarily attributable to a $5.4 million increase in closure and post-closure obligations at our Robstown, Texas operating facility due to placing a new landfill cell into service in the fourth quarter of 2020. The adjustments in 2019 were primarily attributable to a $393,000 decrease in closure and post-closure obligations at our Robstown, Texas operating facility and a $272,000 decrease in closure and post-closure obligations at our Blainville, Québec, Canada operating facility due to changes in closure timing, partially offset by a $422,000 increase to the obligation for our Blainville, Québec, Canada operating facility associated with a newly-constructed disposal cell.

Changes in the reported closure and post-closure asset, recorded as a component of Property and equipment, net, in the consolidated balance sheets, for the years ended December 31, 2020 and 2019 were as follows:

$s in thousands	2020	2019
Net closure and post-closure asset, beginning of year	$ 22,884	$ 19,510
Asset acquired in the NRC Merger	—	4,857
NRC Merger purchase price allocation adjustment	(389)	—
Additions or adjustments to closure and post-closure asset	5,422	(221)
Amortization of closure and post-closure asset	(1,407)	(1,298)
Foreign currency translation	22	36
Net closure and post-closure asset, end of year	$ 26,532	$ 22,884

NOTE 16. DEBT

Long-term debt consisted of the following:

$s in thousands	December 31, 2020	2019
Revolving credit facility	$ 347,000	$ 327,000
Term loan	445,500	450,000
Unamortized term loan discount and debt issuance costs	(6,657)	(7,799)
Total debt	785,843	769,201
Current portion of long-term debt	(3,359)	(3,359)
Long-term debt	$ 782,484	$ 765,842

Future maturities of long-term debt, excluding unamortized discount and debt issuance costs, as of December 31, 2020 consisted of the following:

$s in thousands	Maturities
2021	$ 4,500
2022	4,500
2023	4,500
2024	4,500
2025	351,500
Thereafter	423,000
	$ 792,500

Credit Agreement

On April 18, 2017, US Ecology Holdings, Inc. (f/k/a US Ecology, Inc.) ("Predecessor US Ecology"), now a wholly-owned subsidiary of the Company, entered into a new senior secured credit agreement (as amended, restated, supplemented or otherwise modified through the date hereof, the "Credit Agreement") with Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent for the lenders, swingline lender and issuing lender, and Bank of America, N.A., as an issuing lender, that provides for a $500.0 million, five-year revolving credit facility (the "Revolving Credit Facility"), including a $75.0 million sublimit for the issuance of standby letters of credit and a $40.0 million sublimit for the issuance of swingline loans used to fund short-term working capital requirements. The Credit Agreement also contains an accordion feature whereby Predecessor US Ecology may request up to $200.0 million of additional funds through an increase to the Revolving Credit Facility, through incremental term loans, or some combination thereof. As described below, the Credit Agreement was amended in November 2019 in connection with the NRC Merger and further amended on June 26, 2020 pursuant to the Third Amendment (as defined below). In addition, as a result of the consummation of the NRC Merger, the borrower under the Revolving Credit Facility is Predecessor US Ecology, a wholly-owned subsidiary of the Company. In connection with Predecessor US Ecology's entry into the Credit Agreement, Predecessor US Ecology terminated its existing credit agreement with Wells Fargo, dated June 17, 2014 (the "2014 Credit Agreement"). Immediately prior to the termination of the 2014 Credit Agreement, there were $278.3 million of term loans and no revolving loans outstanding under the 2014 Credit Agreement. No early termination penalties were incurred as a result of the termination of the 2014 Credit Agreement.

The Revolving Credit Facility provides up to $500.0 million of revolving credit loans or letters of credit with the use of proceeds restricted solely for working capital and other general corporate purposes (including acquisitions and capital expenditures). Except as modified by the Third Amendment as described below, under the Revolving Credit Facility, revolving credit loans are available based on a base rate (as defined in the Credit Agreement) or the London Inter-Bank Offered Rate ("LIBOR"), at the Company's option, plus an applicable margin which is determined according to a pricing grid under which the interest rate decreases or increases based on our ratio of funded debt to consolidated earnings before interest, taxes, depreciation and amortization (as defined in the Credit Agreement), as set forth in the table below:

Total Net Leverage Ratio	LIBOR Rate Loans Interest Margin	Base Rate Loans Interest Margin
Equal to or greater than 3.25 to 1.00	2.00%	1.00%
Equal to or greater than 2.50 to 1.00, but less than 3.25 to 1.00	1.75%	0.75%
Equal to or greater than 1.75 to 1.00, but less than 2.50 to 1.00	1.50%	0.50%
Equal to or greater than 1.00 to 1.00, but less than 1.75 to 1.00	1.25%	0.25%
Less than 1.00 to 1.00	1.00%	0.00%

During the year ended December 31, 2020, the effective interest rate on the Revolving Credit Facility, after giving effect to the impact of our interest rate swap and the amortization of the loan discount and debt issuance costs, was 3.98%. Interest only payments are due either quarterly or on the last day of any interest period, as applicable.

Except as modified by the Third Amendment as described below, Predecessor US Ecology is required to pay a commitment fee ranging from 0.175% to 0.35% on the average daily unused portion of the Revolving Credit Facility, with such commitment fee to be based upon Predecessor US Ecology's total net leverage ratio (as defined in the Credit Agreement). The maximum letter of credit capacity under the Revolving Credit Facility is $75.0 million and the Credit Agreement provides for a letter of credit fee equal to the applicable margin for LIBOR loans under the Revolving Credit Facility. At December 31, 2020, there were $347.0 million of revolving credit loans outstanding on the Revolving Credit Facility. These revolving credit loans are due upon the earliest to occur of (i) November 1, 2024 (or, with respect to any lender, such later date as requested by us and accepted by such lender), (ii) the date of termination of the entire revolving credit commitment (as defined in the Credit Agreement) by us, and (iii) the date of termination of the revolving credit commitment and are presented as long-term debt in the consolidated balance sheets.

Predecessor US Ecology has entered into a sweep arrangement whereby day-to-day cash requirements in excess of available cash balances are advanced to the Company on an as-needed basis with repayments of these advances automatically made from subsequent deposits to our cash operating accounts (the "Sweep Arrangement"). Total advances outstanding under the Sweep Arrangement are subject to the $40.0 million swingline loan sublimit under the Revolving Credit Facility. Predecessor US Ecology's revolving credit loans outstanding under the Revolving Credit Facility are not subject to repayment through the Sweep Arrangement. As of December 31, 2020, there were no amounts outstanding subject to the Sweep Arrangement.

As of December 31, 2020, the availability under the Revolving Credit Facility was $121.9 million, subject to our leverage covenant limitation, with $9.8 million of the Revolving Credit Facility issued in the form of standby letters of credit utilized as collateral for closure and post-closure financial assurance and other assurance obligations.

Predecessor US Ecology may at any time and from time to time prepay revolving credit loans and swingline loans, in whole or in part, without premium or penalty, subject to the obligation to indemnify each of the lenders against any actual loss or expense (including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain a LIBOR rate loan (as defined in the Credit Agreement) or from fees payable to terminate the deposits from which such funds were obtained) with respect to the early termination of any LIBOR rate loan. The Credit Agreement provides for mandatory prepayment at any time if the revolving credit outstanding exceeds the revolving credit commitment (as such terms are defined in the Credit Agreement), in an amount equal to such excess. Subject to certain exceptions, the Credit Agreement provides for mandatory prepayment upon certain asset dispositions, casualty events and issuances of indebtedness.

Pursuant to (i) an unconditional guarantee agreement and (ii) a collateral agreement, each entered into by Predecessor US Ecology and its domestic subsidiaries on April 18, 2017, Predecessor US Ecology's obligations under the Credit Agreement are (or will be) jointly and severally and fully and unconditionally guaranteed on a senior basis by all of the Company's existing and certain future domestic subsidiaries and are secured by substantially all of the assets of Predecessor US Ecology and the Company's existing and certain future domestic subsidiaries (subject to certain exclusions), including 100% of the equity interests of the Company's domestic subsidiaries and 65% of the voting equity interests of the Company's directly owned foreign subsidiaries (and 100% of the non-voting equity interests of the Company's directly owned foreign subsidiaries).

The Credit Agreement contains customary restrictive covenants, subject to certain permitted amounts and exceptions, including covenants limiting the ability of the Company to incur additional indebtedness, pay dividends and make other restricted payments, repurchase shares of our outstanding stock and create certain liens. Upon the occurrence of an event of default (as defined in the Credit Agreement), among other things, amounts outstanding under the Credit Agreement may be accelerated and the commitments may be terminated.

The Credit Agreement also contains financial maintenance covenants, a maximum consolidated total net leverage ratio and a consolidated interest coverage ratio (as such terms are defined in the Credit Agreement). Except as further modified by the Third Amendment as described below, our consolidated total net leverage ratio as of the last day of the respective fiscal quarter, may not exceed the maximum consolidated total net leverage ratios set forth in the table below, subject to certain exceptions:

Fiscal Quarter(s)	**Consolidated Total Net Leverage Ratio**
Fiscal Quarters ending June 30, 2017 through September 30, 2019	3.50:1.00
Fiscal Quarters ending December 31, 2019 and thereafter	4.00:1.00

Amendments to the Credit Agreement

On August 6, 2019, Predecessor US Ecology entered into the first amendment (the "First Amendment") to the Credit Agreement, by and among Predecessor US Ecology, the subsidiaries of Predecessor US Ecology party thereto, the lenders referred to therein and Wells Fargo, as issuing lender, swingline lender and administrative agent. Effective November 1, 2019, the First Amendment, among other things, extended the expiration of the Revolving Credit Facility to November 1, 2024, permitted the issuance of a $400.0 million incremental term loan to be used to refinance the indebtedness of NRC and pay related transaction expenses in connection with the NRC Merger, modified the accordion feature allowing Predecessor US Ecology to request up to the greater of (x) $250.0 million and (y) 100% of consolidated EBITDA plus certain additional amounts, increased the sublimit for the issuance of swingline loans to $40.0 million and increased the maximum consolidated total net leverage ratio to 4.00 to 1.00.

On November 1, 2019, Predecessor US Ecology entered into the lender joinder agreement and second amendment (the "Second Amendment") to the Credit Agreement. Effective November 1, 2019, the Second Amendment, among other things, amended the Credit Agreement to increase the capacity for incremental term loans by $50.0 million and provided for Wells Fargo lending $450.0 million in incremental term loans to Predecessor US Ecology to pay off the existing debt of NRC in connection with the NRC Merger, to pay certain fees, costs and expenses incurred in connection with the NRC Merger and to repay outstanding borrowings under the Revolving Credit Facility. The seven-year incremental term loan matures November 1, 2026, requires principal repayment of 1% annually, and bears interest at LIBOR plus 2.25% or a base rate plus 1.25% (with a step-up to LIBOR plus 2.50% or a base rate plus 1.50% in the event that US Ecology credit ratings are not BB (with a stable or better outlook) or better from S&P and Ba2 (with a stable or better outlook) or better from Moody's). During the year ended December 31, 2020, the effective interest rate on the term loan, including the impact of the amortization of debt issuance costs, was 3.45%.

On June 26, 2020, Predecessor US Ecology entered into the third amendment (the "Third Amendment") to the Credit Agreement. Among other things, the Third Amendment amended the Credit Agreement to provide a covenant relief period through the earlier of March 31, 2022 and the date Predecessor US Ecology elects to end such covenant relief period

pursuant to the terms therein. During the covenant relief period, the Third Amendment increased Predecessor US Ecology's consolidated total net leverage ratio requirement as of the end of each fiscal quarter to certain ratios above the 4.00 to 1.00 ratio in effect immediately before giving effect to the Third Amendment, subject to compliance with certain restrictions on restricted payments and permitted acquisitions during such covenant relief period. Furthermore, during the covenant relief period, under the Revolving Credit Facility, revolving credit loans are available based on a base rate (as defined in the Credit Agreement) or LIBOR, at the Company's option, plus an applicable margin which is determined according to a pricing grid under which the interest rate decreases or increases based on our ratio of funded debt to consolidated earnings before interest, taxes, depreciation and amortization (as defined in the Credit Agreement), as set forth in the table below:

Consolidated Total Net Leverage Ratio	LIBOR Rate Loans Interest Margin	Base Rate Loans Interest Margin
Equal to or greater than 4.50 to 1.00	2.50%	1.50%
Equal to or greater than 4.00 to 1.00, but less than 4.50 to 1.00	2.25%	1.25%
Equal to or greater than 3.25 to 1.00, but less than 4.00 to 1.00	2.00%	1.00%
Equal to or greater than 2.50 to 1.00, but less than 3.25 to 1.00	1.75%	0.75%
Equal to or greater than 1.75 to 1.00, but less than 2.50 to 1.00	1.50%	0.50%
Equal to or greater than 1.00 to 1.00, but less than 1.75 to 1.00	1.25%	0.25%
Less than 1.00 to 1.00	1.00%	0.00%

Additionally, during the covenant relief period, Predecessor US Ecology is required to pay a commitment fee ranging from 0.175% to 0.40% on the average daily unused portion of the Revolving Credit Facility, with such commitment fee to be based upon Predecessor US Ecology's total net leverage ratio (as defined in the Credit Agreement).

At December 31, 2020, we were in compliance with all of the financial covenants in the Credit Agreement, as amended by the Third Amendment.

2014 Credit Agreement

On June 17, 2014, Predecessor US Ecology entered into a $540.0 million senior secured credit agreement with a syndicate of banks comprised of a $415.0 million term loan (the "Former Term Loan") with a maturity date of June 17, 2021 and a $125.0 million revolving line of credit (the "Former Revolving Credit Facility") with a maturity date of June 17, 2019.

The Former Term Loan provided an initial commitment amount of $415.0 million and bore interest at a base rate (as defined in the 2014 Credit Agreement) plus 2.00% or LIBOR plus 3.00%, at Predecessor US Ecology's option.

The Former Revolving Credit Facility provided up to $125.0 million of revolving credit loans or letters of credit with the use of proceeds restricted solely for working capital and other general corporate purposes. Under the Former Revolving Credit Facility, revolving loans were available based on a base rate (as defined in the 2014 Credit Agreement) or LIBOR, at Predecessor US Ecology's option, plus an applicable margin which was determined according to a pricing grid under which the interest rate decreased or increased based on our ratio of funded debt to consolidated earnings before interest, taxes, depreciation and amortization (as defined in the 2014 Credit Agreement). The maximum letter of credit capacity under the Former Revolving Credit Facility was $50.0 million and the 2014 Credit Agreement provided for a letter of credit fee equal to the applicable margin for LIBOR loans under the Former Revolving Credit Facility.

Interest Rate Swap

In March 2020, the Company entered into an interest rate swap agreement with Wells Fargo, effectively fixing the interest rate on $480.0 million, or approximately 61%, of the Revolving Credit Facility and term loan borrowings outstanding as of December 31, 2020. In connection with our entry into the March 2020 interest rate swap, we terminated our existing interest rate swap prior to its scheduled maturity date of June 2021. As the original hedged forecasted transaction (periodic

interest payments on our variable-rate debt) remains probable, the $1.8 million net loss related to the terminated swap reported in AOCI at the termination date will be amortized as additional interest expense over its original maturity.

The fair value of the interest rate swap as of December 31, 2020 is a liability of $9.7 million which is included in Other long-term liabilities with the offset to Accumulated other comprehensive loss on the Company's consolidated balance sheet. During the years ended December 31, 2020, 2019 and 2018, the Company recognized $3.3 million of losses, $170,000 of gains and $375,000 of losses, respectively, related to settlements of the interest rate swaps which were recorded as Interest expense on the Company's consolidated statements of operations.

NOTE 17. INCOME TAXES

The domestic and foreign components of (loss) income before income taxes consisted of the following:

$s in thousands	2020	2019	2018
Domestic	$ (403,492)	$ 30,706	$ 46,147
Foreign	9,891	19,093	18,711
(Loss) income before income taxes	$ (393,601)	$ 49,799	$ 64,858

The components of the income tax (benefit) expense consisted of the following:

$s in thousands	2020	2019	2018
Current:			
U.S. Federal	$ (9,905)	$ 3,120	$ 2,239
State	3,062	1,547	2,368
Foreign	6,768	5,426	4,746
Total current	(75)	10,093	9,353
Deferred:			
U.S. Federal	1,384	5,977	5,675
State	(2,859)	714	172
Foreign	(2,692)	(125)	63
Total deferred	(4,167)	6,566	5,910
Income tax (benefit) expense	$ (4,242)	$ 16,659	$ 15,263

A reconciliation between the statutory federal income tax rate and the effective income tax rate is as follows:

	2020	2019	2018
Taxes computed at federal statutory rate	21.0 %	21.0 %	21.0 %
Goodwill impairment charges	(20.4)	—	0.5
State income taxes (net of federal income tax benefit)	0.3	5.7	5.1
Share-based compensation	(0.1)	(0.4)	(1.3)
Research and development credits	0.1	(0.8)	(2.0)
Non-deductible transaction costs	—	3.4	—
Global intangible low taxed income	—	1.1	—
Tax Cuts and Jobs Act of 2017	—	—	(0.3)
Foreign rate differential	(0.3)	2.5	1.7
Net operating loss reduction	(1.7)	—	—
Change in unrecognized tax benefits	1.7	—	—
State deferred rate differential	(0.1)	(1.6)	—
Other	0.6	2.6	(1.2)
	1.1 %	33.5 %	23.5 %

The components of the total net deferred tax assets and liabilities as of December 31, 2020 and 2019 consisted of the following:

$s in thousands	2020	2019
Deferred tax assets:		
Net operating losses	$ 18,751	$ 14,121
Operating leases	12,875	14,034
Foreign tax credit and capital loss carry forwards	4,928	4,705
Accruals, allowances and other	8,691	8,966
Environmental compliance and other site related costs	10,909	9,203
Business interest expense	—	6,498
Unrealized foreign exchange gains	790	962
Total deferred tax assets	56,944	58,489
Less: valuation allowance	(4,207)	(4,965)
Net deferred tax assets	52,737	53,524
Deferred tax liabilities:		
Property and equipment	(53,838)	(53,540)
Intangible assets	(107,109)	(112,446)
Operating leases	(12,875)	(14,034)
Other	102	(1,849)
Total deferred tax liabilities	(173,720)	(181,869)
Net deferred tax liability	$ (120,983)	$ (128,345)

All deferred tax assets and liabilities are recorded in Deferred income taxes, net on the consolidated balance sheets as of December 31, 2020 and 2019.

The Company acquired U.S. federal and state net operating loss and business interest expense carryforwards of NRC upon the acquisition of that entity in November 2019, subject to the ownership change limitations. Upon finalization of the purchase accounting related to the NRC Merger, acquired U.S. federal net operating losses, foreign net operating losses, state net operating losses and business interest expense carryforwards from NRC total approximately $97.1 million, $3.1 million, $40.4 million and $39.7 million, respectively, net of amounts unavailable due to previous ownership change limitations, which are included in the total Net operating losses and Business interest expense above.

Utilization of the Company's net operating loss carryforwards are subject to an annual limitation due to the ownership change limitations provided by the Internal Revenue Code and similar state provisions. Such an annual limitation could result in the expiration or elimination of the net operating loss and business interest expense carryforwards before utilization. Management believes that the limitation will not limit utilization of the carryforwards prior to their expiration based on the historic profitability of the Company and certain favorable adjustments available to the annual limitation calculations.

As of December 31, 2020, we had approximately $66.8 million, $7.2 million, and $57.2 million of federal, foreign, and state and local net operating losses ("NOLs"), respectively. A portion of the federal NOLs begin to expire in 2029 and the remaining federal NOLs have no expiration date. Approximately $29.5 million of the US Federal NOLs are indefinite lived and the remainder expire between 2029 and 2037. Foreign NOLs are indefinite lived and therefore have no expiration date. State and local NOLs expire between 2020 and 2039. We have historically recorded a valuation allowance for certain deferred tax assets due to uncertainties regarding future operating results and limitations on utilization of state and local NOLs for tax purposes. At December 31, 2020 and 2019, we maintained a valuation allowance of approximately $79,000 and $260,000, respectively, for state and local NOLs that are not expected to be utilizable prior to expiration.

The valuation allowance as of December 31, 2020 was primarily related to foreign tax credit that, in the judgment of management, was not more likely than not to be realized. The valuation allowance as of December 31, 2019 were primarily related to foreign tax credits and capital loss carryforwards that, in the judgment of management, were not more likely than not to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets

depends on the generation of future taxable income during the periods in which those temporary differences are deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected taxable income, and tax-planning strategies in making this assessment. The net valuation allowance decreased $181,000 for the year ended December 31, 2020 compared to December 31, 2019.

Changes to unrecognized tax benefits for the years ended December 31, 2020, 2019 and 2018, were as follows:

$s in thousands	2020	2019	2018
Unrecognized tax benefits, beginning of year	$ 8,335	$ 555	$ —
Gross increases - tax positions in prior period	—	8,088	494
Gross decreases - tax positions in prior period	(8,091)	(9)	—
Gross increases - tax positions in current period	50	52	61
Settlements	—	(284)	—
Lapse of statute of limitations	(55)	(67)	—
Unrecognized tax benefits, end of year	$ 239	$ 8,335	$ 555

As of December 31, 2020, the total amount of unrecognized tax benefits was $239,000, of which $227,000, if recognized, would favorably impact our future earnings. The $8.1 million decrease in prior period tax positions related to the acquired NRC net operating losses that were recorded as a reduction to our net operating losses deferred tax asset in 2019 for which an election to treat them as expired was made during 2020. We do not anticipate that the amount of existing unrecognized tax benefits will significantly increase or decrease within the next 12 months. Accrued interest and penalties related to unrecognized tax benefits as of December 31, 2020 and December 31, 2019 were not significant. There is no accrual for penalties.

The Company files income tax returns in the U.S. Federal and various state, local and foreign jurisdictions. The Company is subject to examination by the IRS for tax years 2017 through 2020. The 2016 through 2020 state tax returns are subject to examination by state tax authorities. Stablex Canada, Inc. is currently under examination by the Canadian Revenue Agency for years 2018 through 2020. The tax years 2016 through 2020 remain subject to examination in our significant foreign jurisdictions. The Company does not anticipate any material change as a result of any current examinations in progress.

NOTE 18. COMMITMENTS AND CONTINGENCIES

Litigation and Regulatory Proceedings

In the ordinary course of business, we are involved in judicial and administrative proceedings involving federal, state, provincial or local governmental authorities, including regulatory agencies that oversee and enforce compliance with permits. Fines or penalties may be assessed by our regulators for non-compliance. Actions may also be brought by individuals or groups in connection with permitting of planned facilities, modification or alleged violations of existing permits, or alleged damages suffered from exposure to hazardous substances purportedly released from our operated sites, as well as other litigation. We maintain insurance intended to cover property and damage claims asserted as a result of our operations. Periodically, management reviews and may establish reserves for legal and administrative matters, or other fees expected to be incurred in relation to these matters.

In December 2010, National Response Corporation, a subsidiary of NRC acquired by the Company in the NRC Merger, was named as one of many “Dispersant Defendants” in multi-district litigation, arising out of the explosion of the BP Deepwater Horizon (“BP”) oil rig, filed in the U.S. District Court for the Eastern District of Louisiana (“In re Deepwater Horizon” or the “MDL”). The claims against National Response Corporation, and other “Dispersant Defendants,” were brought by workers and others who alleged injury arising from post-explosion clean–up efforts, including particularly the use of certain chemical dispersants. In January 2013, the Court approved a Medical Benefits Class Action Settlement, which, among other things, provided for a “class wide” settlement as well as a release of claims against Dispersant Defendants, including National Response Corporation. Further, National Response Corporation successfully moved the court to dismiss all claims against it based on derivative immunity, as it was acting at the direction of the U.S. Government. In early 2018, BP began asserting an alleged contractual right of indemnity against National Response Corporation and

others in post-settlement lawsuits brought by persons who had either chosen not to participate in the class-wide agreement or whose injuries were allegedly manifest after the period covered by the claim submission process. The Company advised BP that it considers the attempt to bring National Response Corporation back into previously settled litigation to be improper and moved for a declaratory judgment that it owes no indemnity or contribution to BP, raising various arguments, including BP's own actions and conduct over the preceding nine years with respect to these claims (including its failure to seek indemnity) and the resultant prejudice to National Response Corporation, BP's waiver of any indemnity, and the court's prior finding that National Response Corporation is entitled to derivative immunity. In response, BP asserted counterclaims against National Response Corporation for a declaratory judgment that National Response Corporation must indemnify BP under certain circumstances and for unjust enrichment. National Response Corporation successfully moved to dismiss the unjust enrichment claim. The parties filed simultaneous judgment on the pleadings briefs in February 2020, and all oppositions were filed on March 16, 2020. On May 4, 2020, the court found in favor of National Response Corporation, and held that the Company is not liable to BP or any back end litigation plaintiffs for any damages related to the Deepwater Horizon oil spill. BP timely appealed the ruling on June 11, 2020. The Company is currently unable to estimate the range of possible losses associated with this proceeding. However, the Company also believes that, were it deemed to have liability arising out of or related to BP's indemnity claims, such liability would be covered by an indemnity by SEACOR Holdings Inc., the former owner of National Response Corporation, in favor of National Response Corporation and its affiliates.

In January 2019, Kevin Sullivan, a driver for NRC from May 1, 2018 to August 22, 2018 filed a class action complaint against NRC in California Superior Court (Kevin Sullivan et. Al. v. National Response Corp., NRC Environmental Services, Inc. and Paul Taveira et al.) alleging the failure by the defendants to provide meal and rest breaks required by California law and requiring employees to work off the clock. Mr. Sullivan's complaint also asserted a claim under the California Labor Code Private Attorneys General Act ("PAGA"), which permits an employee to assert a claim for violations of certain California Labor Code provisions on behalf of all aggrieved employees to recover statutory penalties that could be recovered by the State of California. On April 17, 2019, NRC filed a motion to compel individual arbitration, strike Mr. Sullivan's class action claims and stay the PAGA claim pending the outcome of Mr. Sullivan's individual claim; the court subsequently granted NRC's motion to compel. In response, Mr. Sullivan amended his complaint to dismiss the class claims without prejudice and proceed solely with the PAGA claim. The parties participated in a confidential mediation on August 3, 2020, and reached a settlement resolving the pending PAGA claim. The court issued a Notice of Entry of Judgment on October 30, 2020, approving the parties' settlement. The settlement administrator confirmed that the notices and settlement payments totaling $500,000 went out to aggrieved employees on December 28, 2020, in accordance with the distribution timeline. This matter is resolved.

On November 17, 2018, an explosion occurred at our Grand View, Idaho facility, resulting in one employee fatality and injuries to other employees. The incident severely damaged the facility's primary waste-treatment building as well as surrounding waste handling, waste storage, maintenance and administrative support structures, resulting in the closure of the entire facility that remained in effect through January 2019. In addition to initiating and conducting our own investigation into the incident, we fully cooperated with the Idaho Department of Environmental Quality, the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration ("OSHA") to support their comprehensive and independent investigations of the incident. On January 10, 2020, we entered into a settlement agreement with OSHA settling a complaint made by OSHA relating to the incident for $50,000. On January 28, 2020, the Occupational Safety and Health Review Commission issued an order terminating the proceeding relating to such OSHA complaint. We maintain workers' compensation insurance, business interruption insurance and liability insurance for personal injury, property and casualty damage. We believe that any potential third-party claims associated with the explosion in excess of our deductibles are expected to be resolved primarily through our insurance policies. Although we carry business interruption insurance, a disruption of our business caused by a casualty event, including the full and partial closure of our Grand View, Idaho facility, may result in the loss of business, profits or customers during the time of such closure. Accordingly, our insurance policies may not fully compensate us for these losses. In November 2020, we commenced a lawsuit against the generator and broker of the waste, the treatment of which we believe contributed to the Grand View explosion, seeking damages in connection with the losses suffered as a result of the incident.

The Company is actively working with its insurance companies on comprehensive property and business interruption insurance claims related to the incident at our Grand View, Idaho facility in the fourth quarter of 2018. The Company

recognized insurance recoveries of $462,000 during 2020, related to expenses incurred to continue limited operations at the facility.

Other than as described above, we are not currently a party to any material pending legal proceedings and are not aware of any other claims that could, individually or in the aggregate, have a materially adverse effect on our financial position, results of operations or cash flows.

NOTE 19. EQUITY

Equity-Based Purchase Consideration

Pursuant to the NRC Merger Agreement, on November 1, 2019 the Company paid $626.5 million of the purchase price in equity-based consideration comprising 9,337,949 newly-issued shares of US Ecology common stock, 3,772,753 replacement warrants, 118,239 replacement restricted stock units and 29,400 replacement stock options.

Stock Repurchase Program

On June 1, 2016, the Company's Board of Directors authorized the repurchase of $25.0 million of the Company's outstanding common stock. On May 29, 2018, the repurchase program was extended. On December 30, 2019, the Company's Board of Directors authorized the repurchase of $25.0 million of the Company's outstanding warrants (such dollar amount considered in the aggregate with the dollar amount of shares of common stock repurchased by the Company, if any, under the Company's share repurchase program) as part of the Company's share repurchase program. On June 6, 2020, the Company's Board of Directors' authorization to repurchase the Company's outstanding shares of common stock and warrants under the share repurchase program expired. In the future, the Board of Directors may consider reauthorizing the repurchase program at any time, and the timing of any future repurchases of common stock or warrants will be based upon prevailing market conditions and other factors. The Company may from time to time also consider other options for repurchasing some or all of its warrants, including but not limited to a tender offer for all of the outstanding warrants. The Company repurchased 397,600 shares of common stock in an aggregate amount of $17.3 million under the repurchase program during the year ended December 31, 2020.

Omnibus Incentive Plan

On May 27, 2015, the stockholders of Predecessor US Ecology approved the Omnibus Incentive Plan (as amended, "Pre-Merger Omnibus Plan"), which was approved by Predecessor US Ecology's Board of Directors on April 7, 2015. In connection with the closing of the NRC Merger, the Company assumed the Pre-Merger Omnibus Plan, amended and restated such plan and renamed it the Amended and Restated US Ecology, Inc. Omnibus Incentive Plan (the "Omnibus Plan") for the purpose of issuing replacement awards to award recipients under the Omnibus Plan pursuant to the NRC Merger Agreement and for the issuance of additional awards in the future.

The Omnibus Plan was developed to provide additional incentives through equity ownership in US Ecology and, as a result, encourage employees, consultants and non-employee directors to contribute to our success. The Omnibus Plan provides, among other things, the ability for the Company to grant restricted stock, performance stock, options, stock appreciation rights, restricted stock units, performance stock units and other share-based awards or cash awards to employees, consultants and non-employee directors.

The Omnibus Plan expires on April 7, 2025 and authorizes 1,500,000 shares of common stock for grant over the life of the Omnibus Plan. As of December 31, 2020, 550,673 shares of common stock remain available for grant under the Omnibus Plan.

Subsequent to the approval of the Pre-Merger Omnibus Plan by Predecessor US Ecology in May 2015, we stopped granting equity awards under the American Ecology Corporation 2008 Stock Option Incentive Plan ("Pre-Merger 2008 Stock Option Plan"). However, in connection with the closing of the NRC Merger, the Company assumed the Pre-Merger 2008 Stock Option Plan, amended and restated such plan and renamed it in the Amended and Restated US Ecology, Inc. 2008 Stock Option Incentive Plan (the "2008 Stock Option Plan") solely for the purpose of issuing replacement awards to award

recipients thereunder and remains in effect solely for the settlement of awards granted under such plan and no future grants may be made under such plan. No shares that are reserved but unissued under the 2008 Stock Option Plan or that are outstanding under the 2008 Stock Option Plan and reacquired by the Company for any reason will be available for issuance under the Omnibus Plan.

In addition, in connection with the closing of the NRC Merger, the Company assumed the NRC Group Holdings Corp. 2018 Equity Incentive Plan previously maintained by NRC by adopting the Amended and Restated US Ecology, Inc. 2018 Equity and Incentive Compensation Plan solely for the purpose of issuing replacement awards to award recipients thereunder pursuant to the NRC Merger Agreement, and no future grants may be made under such plan.

Performance Stock Units (PSUs)

We have PSU awards outstanding under the Omnibus Plan. Each PSU represents the right to receive, on the settlement date, one share of the Company's common stock. The total number of 2018 PSUs each participant is eligible to earn ranges from 0% to 200% of the target number of PSUs granted in 2018. The actual number of 2018 PSUs that will vest and be settled in shares is determined based on total stockholder return relative to a set of peer companies, over a three-year performance period. The total number of 2019 PSUs each participant is eligible to earn ranges from 0% to 300% of the target number of PSUs granted in 2019. The actual number of 2019 PSUs that will vest and be settled in shares is determined based on achievement of certain Company financial performance metrics and total stockholder return relative to a set of peer companies, over a three-year performance period. Compensation expense is recorded over the awards' three-year vesting period.

On January 24, 2020, the Company granted 5,358 PSUs to certain employees. Each January 2020 PSU represents the right to receive, on the settlement date, one share of the Company's common stock. The actual number of January 2020 PSUs that will vest and be settled in shares is determined based on the achievement of certain milestones. The fair value of the January 2020 PSUs estimated on the grant date was $54.55 per unit. Compensation expense is recorded over the awards' milestone measurement period.

On July 16, 2020, the Company granted 51,922 PSUs to certain employees. Each July 2020 PSU represents the right to receive, on the settlement date, one share of the Company's common stock. The total number of July 2020 PSUs each participant is eligible to earn ranges from 0% to 200% of the target number of PSUs granted. The actual number of July 2020 PSUs that will vest and be settled in shares is determined at the end of a 2.5-year performance period beginning July 1, 2020, based on the Company's total shareholder return relative to a set of peer companies. Compensation expense is recorded over the awards' 2.5-year vesting period.

A summary of our PSU activity is as follows:

	Units	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2019	42,711	$ 61.11
Granted	57,351	43.60
Vested	(13,322)	61.37
Cancelled, expired or forfeited	(670)	54.55
Outstanding as of December 31, 2020	86,070	$ 49.45

The fair value of PSUs granted on July, 16, 2020, March 1, 2019 and January 2, 2018 was estimated as of the date of grant using a Monte Carlo simulation model. The grant date fair value of PSUs granted on July 16, 2020, March 1, 2019 and January 2, 2018 was $42.47, $58.20 and $63.56 per unit, respectively. Assumptions used in the Monte Carlo simulation to calculate the fair value of the PSUs granted are as follows:

	2020	2019	2018
Stock price on grant date	$ 32.89	$ 58.40	$ 51.00
Expected term	2.5 years	3.0 years	3.0 years
Expected volatility	40.6 %	30 %	30 %
Risk-free interest rate	0.2 %	2.5 %	2.0 %
Expected dividend yield	0.0 %	1.1 %	1.4 %

During 2020, 13,322 PSUs vested and PSU holders earned 8,619 shares of the Company's common stock.

Stock Options

We have stock option awards outstanding under the 2008 Stock Option Plan and the Omnibus Plan. Stock options expire ten years from the date of grant and generally vest over a period of three years from the date of grant. Vesting requirements for non-employee directors are contingent on attending a minimum of 75% of regularly scheduled board meetings during the year. Upon the exercise of stock options, common stock is issued from treasury stock or, when depleted, from new stock issuances.

A summary of our stock option activity is as follows:

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (Years)
Outstanding as of December 31, 2019	293,588	$ 48.23		
Granted	78,700	54.20		
Exercised	(6,880)	34.69		
Cancelled, expired or forfeited	(8,375)	42.89		
Outstanding as of December 31, 2020	357,033	$ 49.93	$ —	6.6
Exercisable as of December 31, 2020	240,303	$ 47.06	$ —	5.6

The weighted average grant date fair value of all stock options granted during 2020, 2019 and 2018 was $12.30, $14.26 and $11.64 per share, respectively. The total intrinsic value of stock options exercised during 2020, 2019 and 2018 was $100,000, $152,000 and $6.6 million, respectively. During 2020, option holders tendered 3,738 options in connection with options exercised via net share settlement.

The fair value of each stock option is estimated as of the date of grant using the Black-Scholes option-pricing model. Expected volatility is estimated based on an average of actual historical volatility and implied volatility corresponding to the stock option's estimated expected term. We believe this approach to determine volatility is representative of future stock volatility. The expected term of a stock option is estimated based on analysis of stock options already exercised and foreseeable trends or changes in behavior. The risk-free interest rates are based on the U.S. Treasury securities maturities as of each applicable grant date. The dividend yield is based on analysis of actual historical dividend yield.

The significant weighted-average assumptions relating to the valuation of option grants are as follows:

	2020	2019	2018
Expected life	4.0 years	2.7 years	3.8 years
Expected volatility	30 %	30 %	30 %
Risk-free interest rate	1.4 %	2.1 %	2.0 %
Expected dividend yield	1.2 %	1.2 %	1.5 %

Restricted Stock

We have restricted stock awards outstanding under the Omnibus Plan. Generally, restricted stock awards vest annually over a three-year period. Vesting of restricted stock awards to non-employee directors is contingent on the non-employee director attending a minimum of 75% of regularly scheduled board meetings and 75% of the meetings of each committee of which the non-employee director is a member during the year. Upon the vesting of restricted stock awards, common stock is issued from treasury stock or, when depleted, from new stock issuances.

A summary of our restricted stock activity is as follows:

	Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2019	64,654	$ 55.62
Granted	51,700	48.35
Vested	(43,588)	53.93
Outstanding as of December 31, 2020	72,766	$ 51.47

The total fair value of restricted stock vested during 2020, 2019 and 2018 was $2.3 million, $2.5 million and $2.2 million, respectively.

Restricted Stock Units

We have restricted stock unit awards outstanding under the Omnibus Plan. Each restricted stock unit represents the right to receive, on the settlement date, one share of the Company's common stock. Generally, restricted stock unit awards vest annually over a three-year period. Upon the vesting of restricted stock unit awards, common stock is issued from treasury stock or, when depleted, from new stock issuances.

A summary of our restricted stock unit activity is as follows:

	Units	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2019	131,199	$ 59.05
Granted	111,830	33.21
Vested	(71,050)	58.71
Cancelled, expired or forfeited	(24,736)	57.08
Outstanding as of December 31, 2020	147,243	$ 39.92

The total fair value of restricted stock units vested during 2020, 2019 and 2018 was $3.0 million, $4.8 million and $967,000, respectively.

Treasury Stock

During 2020, the Company repurchased 17,169 shares of the Company's common stock in connection with the net share settlement of employee equity awards at an average cost of $57.91 per share, repurchased 397,600 shares of the Company's common stock under our stock repurchase program at an average cost of $43.61 per share and issued 56,381 shares of restricted stock under the Omnibus Plan from our treasury stock at an average cost of $44.20 per share.

During 2019 prior to the NRC Merger, Predecessor US Ecology issued 8,900 shares of restricted stock under the Omnibus Plan, from our treasury stock at an average cost of $57.77 per share and repurchased 14,462 shares of Predecessor US Ecology's common stock in connection with the net share settlement of employee equity awards at an average cost of $63.34 per share. In connection with the closing of the NRC Merger, the outstanding treasury stock of Predecessor US Ecology was cancelled.

Share-Based Compensation Expense

All share-based compensation is measured at the grant date based on the fair value of the award, and is recognized as an expense in earnings over the requisite service period. The components of pre-tax share-based compensation expense (primarily included in Selling, general and administrative expenses in our consolidated statements of operations) and related tax benefits were as follows:

$s in thousands	2020	2019	2018
Share-based compensation from:			
Stock options	$ 725	$ 575	$ 727
Restricted stock	2,032	1,662	1,590
Restricted stock units (1)	3,810	6,193	1,324
Performance stock units (2)	1,266	831	725
Total share-based compensation	7,833	9,261	4,366
Income tax benefit	(2,115)	(3,098)	(1,027)
Share-based compensation, net of tax	$ 5,718	$ 6,163	$ 3,339

(1) Share-based compensation from restricted stock units for the years ended December 31, 2020 and 2019 includes $605,000 and $3.7 million, respectively, of compensation expense related to the accelerated vesting of restricted stock unit awards upon the termination of former employees of NRC subsequent to the NRC Merger in accordance with change-in-control provisions of their respective employment agreements. Share-based compensation from restricted stock units for the year ended December 31, 2020 also includes $405,000 of compensation expense related restricted stock unit awards granted to certain employees identified as critical to the successful integration of NRC. Share-based compensation from these awards is attributable entirely to the NRC Merger therefore the Company has classified this portion of share-based compensation expense as business development and integration expenses within Selling, general and administrative expenses in our consolidated statements of operations.

(2) Share-based compensation from performance stock units for the year ended December 31, 2020 includes $173,000 of compensation expense related to milestone-based performance stock unit awards granted to certain employees identified as critical to the successful integration of NRC. Share-based compensation from these awards is attributable entirely to the NRC Merger therefore the Company has classified this portion of share-based compensation expense as business development and integration expenses within Selling, general and administrative expenses in our consolidated statements of operations.

The tax benefits from stock options exercised during 2020, 2019 and 2018 were $113,000, $321,000 and $1.4 million, respectively.

Unrecognized Share-Based Compensation Expense

As of December 31, 2020, there was $9.5 million of unrecognized compensation expense related to unvested share-based awards granted under our share-based award plans. The expense is expected to be recognized over a weighted average remaining vesting period of approximately two years.

Warrants

At December 31, 2020, there were a total of 3,772,753 warrants outstanding. Each warrant entitles the holder thereof to purchase one share of common stock at a price of $58.67 per share, subject to certain adjustments. The warrants may be exercised only for a whole number of shares of common stock. No fractional shares will be issued upon exercise of the warrants. The warrants will expire at 5:00 p.m. New York City time on October 17, 2023, or earlier upon redemption or liquidation. The warrants are listed on the Nasdaq Capital Market under the symbol "ECOLW". The Company may call the warrants for redemption, in whole and not in part, at a price of $0.01 per warrant, upon not less than 30 days' prior written notice of redemption to each warrant holder, if, and only if, the reported last sale price of Common Stock equals or exceeds $91.84 per share on each of 20 trading days within the 30 trading-day period ending on the business day prior to the date on which notice of the redemption is given and provided that there is an effective registration statement covering the shares of Common Stock issuable on exercise of the warrants and subject to the satisfaction of certain other requirements. The warrants were determined to be equity classified in accordance with ASC 815, *Derivatives and Hedging*.

NOTE 20. EARNINGS PER SHARE

	2020		2019		2018	
$s and shares in thousands, except per share amounts	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**
Net (loss) income	$ (389,359)	$ (389,359)	$ 33,140	$ 33,140	$ 49,595	$ 49,595
Weighted average basic shares outstanding	31,126	31,126	23,521	23,521	21,888	21,888
Dilutive effect of share-based awards and warrants		—		228		159
Weighted average diluted shares outstanding		31,126		23,749		22,047
(Loss) earnings per share	$ (12.51)	$ (12.51)	$ 1.41	$ 1.40	$ 2.27	$ 2.25
Anti-dilutive shares excluded from calculation		4,213		90		46

NOTE 21. SEGMENT REPORTING

Financial Information by Segment

Effective in the fourth quarter of 2020, we have made changes to the manner in which we manage our business, make operating decisions and assess our performance. The energy waste business that was acquired through the NRC Merger now comprises our Energy Waste segment. Prior to this change, the energy waste business was included in the Waste Solutions segment (formerly "Environmental Services"). All periods presented below have been recast to reflect these changes. Under our new structure our operations are managed in three reportable segments reflecting our internal management reporting structure and nature of services offered as follows:

Waste Solutions (formerly "Environmental Services")—This segment provides a broad range of specialty material management services including transportation, recycling, treatment and disposal of hazardous, non-hazardous and radioactive waste at Company-owned or operated landfill, wastewater, deep-well injection and other treatment facilities, excluding the services within our Energy Waste segment.

Field Services (formerly "Field & Industrial Services")—This segment provides specialty field services and total waste management solutions to commercial and industrial facilities and to government entities through our 10-day transfer facilities and at customer sites, both domestic and international. Specialty field services include standby services, emergency response, industrial cleaning and maintenance, remediation, lab packs, retail services, transportation, and other services. Total waste management services include on-site management, waste characterization, transportation and disposal of non- hazardous and hazardous waste.

Energy Waste—This segment provides energy-related services and waste disposal services predominately to upstream energy customers currently concentrated in the Eagle Ford and Permian Basin. Services include spill containment and site remediation, equipment cleaning & maintenance services, specialty equipment rental, including tanks, pumps and containment, safety monitoring and management and transportation and disposal. This segment includes all of the energy waste business of the legacy NRC operations and none of the legacy US Ecology operations.

The operations not managed through our three reportable segments are recorded as "Corporate." Corporate selling, general and administrative expenses include typical corporate items such as legal, accounting and other items of a general corporate nature. Income taxes are assigned to Corporate, but all other items are included in the segment where they originated. Inter-company transactions have been eliminated from the segment information and are not significant between segments.

Summarized financial information of our reportable segments for the years ended December 31, 2020, 2019 and 2018 is as follows:

	2020				
$s in thousands	**Waste Solutions**	**Field Services**	**Energy Waste**	**Corporate**	**Total**
Revenue	$ 425,413	$ 473,754	$ 34,687	$ —	$ 933,854
Depreciation, amortization and accretion	$ 41,540	$ 43,465	$ 19,962	$ 2,938	$ 107,905
Capital expenditures	$ 31,027	$ 16,149	$ 6,189	$ 4,034	$ 57,399
Total assets	$ 773,448	$ 762,854	$ 231,475	$ 63,506	$ 1,831,283

	2019				
$s in thousands	**Waste Solutions**	**Field Services**	**Energy Waste**	**Corporate**	**Total**
Revenue	$ 440,547	$ 232,402	$ 12,560	$ —	$ 685,509
Depreciation, amortization and accretion	$ 41,133	$ 15,007	$ 3,402	$ 1,760	$ 61,302
Capital expenditures	$ 46,202	$ 5,986	$ 1,391	$ 4,521	$ 58,100
Total assets	$ 755,566	$ 865,540	$ 534,738	$ 75,400	$ 2,231,244

	2018				
$s in thousands	**Waste Solutions**	**Field Services**	**Energy Waste**	**Corporate**	**Total**
Revenue	$ 400,678	$ 165,250	$ —	$ —	$ 565,928
Depreciation, amortization and accretion	$ 35,195	$ 6,304	$ —	$ 1,060	$ 42,559
Capital expenditures	$ 31,735	$ 7,430	$ —	$ 1,592	$ 40,757
Total assets	$ 701,267	$ 169,066	$ —	$ 77,565	$ 947,898

Management uses Adjusted EBITDA as a financial measure to assess segment performance. Adjusted EBITDA is defined as net (loss) income before interest expense, interest income, income tax expense, depreciation, amortization, share-based compensation, accretion of closure and post-closure liabilities, foreign currency gain/loss, non-cash property and equipment impairment charges, non-cash goodwill and intangible asset impairment charges, gain on property insurance recoveries, business development and integration expenses and other income/expense. Adjusted EBITDA is a complement to results provided in accordance with GAAP and we believe that such information provides additional useful information to analysts, stockholders and other users to understand the Company's operating performance. Since Adjusted EBITDA is not a measurement determined in accordance with GAAP and is thus susceptible to varying calculations, Adjusted EBITDA as presented may not be comparable to other similarly titled measures of other companies. Items excluded from

Adjusted EBITDA are significant components in understanding and assessing our financial performance. Adjusted EBITDA should not be considered in isolation or as an alternative to, or substitute for, net (loss) income, cash flows generated by operations, investing or financing activities, or other financial statement data presented in the consolidated financial statements as indicators of financial performance or liquidity. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or a substitute for analyzing our results as reported under GAAP. Some of the limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect our interest expense, or the requirements necessary to service interest or principal payments on our debt;
- Adjusted EBITDA does not reflect our income tax expenses or the cash requirements to pay our taxes;
- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Adjusted EBITDA does not reflect our business development and integration expenses.

A reconciliation of Net (loss) income to Adjusted EBITDA for the years ended December 31, 2020, 2019 and 2018 is as follows:

$s in thousands	2020	2019	2018
Net (loss) income	$ (389,359)	$ 33,140	$ 49,595
Income tax (benefit) expense	(4,242)	16,659	15,263
Interest expense	32,595	19,239	12,130
Interest income	(258)	(605)	(215)
Foreign currency loss (gain)	1,134	733	(55)
Other income	(788)	(455)	(2,630)
Property and equipment impairment charges	—	25	—
Goodwill and intangible asset impairment charges	404,900	—	3,666
Depreciation and amortization of plant and equipment	66,561	41,423	29,207
Amortization of intangible assets	37,344	15,491	9,645
Share-based compensation	6,651	5,544	4,366
Accretion and non-cash adjustment of closure & post-closure liabilities	4,000	4,388	3,707
Gain on property insurance recoveries	—	(12,366)	(347)
Business development and integration expenses	11,621	26,150	748
Adjusted EBITDA	$ 170,159	$ 149,366	$ 125,080

Adjusted EBITDA, by reportable segment, for the years ended December 31, 2020, 2019 and 2018 is as follows:

$s in thousands	2020	2019	2018
Waste Solutions	$ 174,385	$ 184,133	$ 160,179
Field Services	69,869	26,707	18,457
Energy Waste	1,157	3,626	—
Corporate	(75,252)	(65,100)	(53,556)
Total	$ 170,159	$ 149,366	$ 125,080

Property and Equipment and Intangible Assets Outside of the United States

We provide services primarily in the United States, Canada and the EMEA region. Long-lived assets, comprised of property and equipment and intangible assets net of accumulated depreciation and amortization, by geographic location as of December 31, 2020 and 2019 are as follows:

$s in thousands	2020	2019
United States	$ 882,639	$ 954,102
Canada	68,623	70,691
EMEA	18,042	23,587
Other (1)	11,321	5,290
Total long-lived assets	$ 980,625	$ 1,053,670

(1) Includes Mexico, Asia Pacific, and Latin America and Caribbean geographical regions.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of the Company's management, including both the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures, as such term is defined under Rule 13a-15e under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of December 31, 2020. Based on that evaluation, the Company's management, including the Chief Executive and Chief Financial Officer, concluded that the Company's disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported as specified in SEC rules and forms and that such information is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation of such controls that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Annual Report on Internal Controls over Financial Reporting.

Management is responsible for and maintains a system of internal controls over financial reporting that is designed to provide reasonable assurance that its records and filings accurately reflect the transactions engaged in Section 404 of Sarbanes-Oxley Act of 2002 and related rules issued by the SEC requiring management to issue a report on its internal controls over financial reporting.

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal control can provide only reasonable assurance with respect to financial statement preparation. Further, because of changes in conditions, the effectiveness of internal controls may vary over time.

Management has conducted an assessment of its internal controls over financial reporting as of December 31, 2020 based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations ("COSO") of the Treadway Commission. Based on this assessment, management concluded that our internal

controls over financial reporting were effective to provide reasonable assurance regarding the reliability of financial reporting.

Our independent registered public accounting firm, Deloitte and Touche LLP, has audited the effectiveness of internal control over financial reporting as of December 31, 2020, as stated in their report, which is included in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 9B. OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information regarding directors and nominees for directors of the Company, including identification of the members of the audit committee and audit committee financial expert, will be included in the Company's definitive proxy statement for use in connection with the 2021 Annual Meeting of Stockholders (the "Proxy Statement") to be filed within 120 days after the end of the Company's fiscal year ended December 31, 2020. The information contained under these headings is incorporated herein by reference. Information regarding the executive officers of the Company is included in this Annual Report on Form 10-K under Item 1 of Part I as permitted by Instruction 3 to Item 401(b) of Regulation S-K.

We have adopted a code of ethics that applies to our Chief Executive Officer and Chief Financial Officer. This code of ethics is available on our Web site at ***www.usecology.com***. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to our Chief Executive Officer or Chief Financial Officer, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies in a report filed with the SEC.

ITEM 11. EXECUTIVE COMPENSATION

Information concerning executive and director compensation is presented under the heading "Compensation Discussion and Analysis" in the Proxy Statement. The information contained under these headings is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information with respect to security ownership of certain beneficial owners and management is set forth under the heading "Security Ownership of Certain Beneficial Owners and Directors and Officers" in the Proxy Statement. The information contained under these headings is incorporated herein by reference.

The following table provides information as of December 31, 2020, about the common stock that has been issued under all of our equity compensation plans, including the Omnibus Plan and the 2008 Stock Option Plan. All of these plans have been approved by our stockholders. The Omnibus Plan, approved in May 2015, superseded our 2008 Stock Option Plan, and the 2008 Stock Option Plan remain in effect solely for the settlement of awards granted under the 2008 Stock Option Plan. The number of securities remaining available for future issuance presented in column (c) in the table below represents securities available under the Omnibus Plan only. No shares that are reserved but unissued under the 2008 Stock Option Plan or that are outstanding under the 2008 Stock Option Plan and reacquired by the Company for any reason will be available for issuance under the Omnibus Plan.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)(1)	Weighted-average exercise price of outstanding options, warrants and rights (b)(2)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	663,112	$ 49.93	550,673
Equity compensation plans not approved by security holders	—	—	—
Total	663,112	$ 49.93	550,673

(1) Includes 220,009 shares of unvested restricted stock and restricted stock unit awards and 86,070 performance stock unit awards outstanding under the Omnibus Plan.

(2) The weighted-average exercise price does not take into account the shares issuable upon vesting of outstanding restricted stock, restricted stock unit and performance stock unit awards, which have no exercise price.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information concerning related transactions is presented under the heading "Certain Relationships and Related Transactions" in the Proxy Statement. The information contained under this heading is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information concerning principal accounting fees and services is presented under the heading "Ratification of Appointment of Independent Registered Public Accounting Firm" in the Proxy Statement. The information contained under this heading is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENTS AND SCHEDULES

(a) The following documents are filed as part of this report:

1) Consolidated Financial Statements: See Index to Consolidated Financial Statements at Item 8 of this Annual Report.

2) Financial Statement Schedules. Schedules have been omitted because they are not required or because the information is included in the financial statements at Item 8 of this Annual Report.

3) Exhibits are incorporated herein by reference or are filed with this Annual Report as set forth in the Index to Exhibits on page 134 hereof.

ITEM 16. FORM 10-K SUMMARY

None

Index to Exhibits

Exhibit No.	Description	Company Form+	Incorporated by Reference from Registrant's
2.1	Agreement and Plan of Merger, dated as of June 23, 2019, by and among US Ecology, Inc., NRC Group Holdings Corp., US Ecology Parent, Inc., Rooster Merger Sub, Inc. and ECOL Merger Sub, Inc.	Predecessor US Ecology	Form 8-K filed 6-24-2019
3.1	Amended and Restated Certificate of Incorporation of US Ecology, Inc.	US Ecology, Inc.	Form 8-K filed 11-1-2019
3.2	Amended and Restated Bylaws of US Ecology, Inc.	US Ecology, Inc.	
4.1	Assignment, Assumption and Amendment to the Warrant Agreement, dated as of November 1, 2019, by and between US Ecology, Inc., American Stock Transfer & Trust Company, LLC, NRC Group Holdings Corp. and Continental Stock Transfer & Trust Company.	US Ecology, Inc.	Form 8-K filed 11-1-2019
4.2	Description of Securities	US Ecology, Inc.	
10.1	Investor Agreement, dated June 23, 2019, by and among US Ecology, Inc., US Ecology Parent, Inc., JFL-NRC-SES Partners, LLC, JFL-NRC Holdings III, LLC, JFL-NRC Holdings IV, LLC and solely with respect to Section 4 thereof, NRC Group Holdings Corp.	Predecessor US Ecology	Form 8-K filed 6-24-2019
10.2	Registration Rights Agreement, dated June 23, 2019, by and among US Ecology, Inc., US Ecology Parent, Inc., JFL-NRC-SES Partners, LLC, JFL-NRC Holdings III, LLC and JFL-NRC Holdings IV, LLC	Predecessor US Ecology	Form 8-K filed 6-24-2019
10.3	Sublease, dated July 27, 2005, between the State of Washington and US Ecology Washington, Inc.	Predecessor US Ecology	Form 8-K filed 7-27-2005
10.4	Lease Agreement as amended between American Ecology Corporation and the State of Nevada	Predecessor US Ecology	2 Qtr 2007 Form 10-Q filed 8-7-2007
10.5	*Amended and Restated US Ecology, Inc. 2008 Stock Option Incentive Plan	US Ecology, Inc.	Form S-8 filed 11-1-2019
10.6	*Amended and Restated US Ecology Inc. Omnibus Incentive Plan	US Ecology, Inc.	
10.7	*US Ecology, Inc. Nonqualified Deferred Compensation Plan	US Ecology, Inc.	Form S-8 filed 1-7-2020
10.8	*Amended and Restated US Ecology, Inc. 2018 Equity and Incentive Compensation Plan	US Ecology, Inc.	Form S-8 filed 11-1-2019
10.9	*Form of Performance Stock Unit Award Agreement	Predecessor US Ecology	1st Qtr 2019 Form 10-Q filed 5-6-2019
10.10	*Form of Restricted Stock Award Agreement	US Ecology, Inc.	1st Qtr 2020 Form 10-Q filed 5-11-2020
10.11	*Form of Non-Statutory Stock Option Award Agreement	US Ecology, Inc.	1st Qtr 2020 Form 10-Q filed 5-11-2020
10.12	*Form of Incentive Stock Option Award Agreement	US Ecology, Inc.	1st Qtr 2020 Form 10-Q filed 5-11-2020
10.13	*Amended and Restated Executive Employment Agreement, dated December 22, 2020, between the Company and Jeffrey R. Feeler	US Ecology, Inc.	

Exhibit No.	Description	Company Form+	Incorporated by Reference from Registrant's
10.14	*Amended and Restated Executive Employment Agreement, effective December 22, 2020, between the Company and Eric L. Gerratt	US Ecology, Inc.	
10.15	*Amended and Restated Executive Employment Agreement, effective December 22, 2020, between the Company and Steven D. Welling	US Ecology, Inc.	
10.16	*Amended and Restated Executive Employment Agreement, effective December 22, 2020, between the Company and Simon G. Bell	US Ecology, Inc.	
10.17	*Form of Indemnification Agreement between US Ecology, Inc. and each of the Company's Directors and Officers	Predecessor US Ecology	Form 8-K filed 11-12-2014
10.18	*Amended and Restated Executive Employment Agreement, effective December 22, 2020, between the Company and Andrew P. Marshall	US Ecology, Inc.	
10.19	Credit Agreement, dated April 18, 2017, by and among US Ecology, Inc., the lenders referred to therein, Wells Fargo Bank, National Association, as administrative agent, Bank of America, N.A., as issuing lender, Wells Fargo Securities, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as syndication agent and Bank of Montreal, PNC Bank, National Association and US Bank National Association, as co-documentation agents	Predecessor US Ecology	Form 8-K filed 4-20-2017
10.19	First Amendment, dated as of August 6, 2019, by and among US Ecology, Inc., certain subsidiary guarantors, each consenting lender and Wells Fargo Bank, National Association, as lender and administrative agent, to the Credit Agreement, dated April 18, 2017, by and among US Ecology, Inc., the lenders referred to therein, Wells Fargo Bank, National Association, as administrative agent, Bank of America, N.A., as issuing lender, Wells Fargo Securities, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as syndication agent and Bank of Montreal, PNC Bank, National Association and US Bank National Association, as co-documentation agents	Predecessor US Ecology	Form 8-K filed 8-9-2019

Exhibit No.	Description	Company Form+	Incorporated by Reference from Registrant's
10.20	Second Amendment, dated as of November 1, 2019, by and among US Ecology Holdings, Inc., certain subsidiary guarantors, each consenting lender and Wells Fargo Bank, National Association, as lender and administrative agent to the Credit Agreement, dated April 18, 2017, by and among US Ecology, Inc., the lenders referred to therein, Wells Fargo Bank, National Association, as administrative agent, Bank of America, N.A., as issuing lender, Wells Fargo Securities, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as syndication agent and Bank of Montreal, PNC Bank, National Association and US Bank National Association, as co-documentation agents	US Ecology, Inc.	Form 8-K filed 11-1-2019
10.21	Third Amendment, dated as of June 26, 2020, by and among US Ecology Holdings, Inc., US Ecology, Inc., certain subsidiary guarantors, each consenting lender and Wells Fargo Bank, National Association, as lender and administrative agent	US Ecology, Inc.	Form 8-K filed 6-29-2010
10.22	*US Ecology, Inc. 2019 Management Incentive Plan (Executive)	Predecessor US Ecology	1st Qtr 2019 Form 10-Q filed 5-6-2019
21	List of Subsidiaries	US Ecology, Inc.	
23.1	Consent of Deloitte and Touche LLP	US Ecology, Inc.	
31.1	Certifications of December 31, 2020 Form 10-K by Chief Executive Officer, dated February 26, 2021	US Ecology, Inc.	
31.2	Certifications of December 31, 2020 Form 10-K by Chief Financial Officer, dated February 26, 2021	US Ecology, Inc.	
32.1	Certifications of December 31, 2020 Form 10-K by Chief Executive Officer, dated February 26, 2021	US Ecology, Inc.	
32.2	Certifications of December 31, 2020 Form 10-K by Chief Financial Officer, dated February 26, 2021	US Ecology, Inc.	
101	The following materials from the Annual Report on Form 10-K of US Ecology, Inc. for the fiscal year ended December 31, 2020 formatted in Extensible Business Reporting Language (Inline XBRL): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Stockholders' Equity, and (vi) Notes to the Consolidated Financial Statements	US Ecology, Inc.	
104	The cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2020, formatted in Inline XBRL	US Ecology, Inc.	

+ Company Forms include filings by US Ecology, Inc. and US Ecology Holdings, Inc. (f/k/a US Ecology, Inc.) ("Predecessor US Ecology").

* Identifies management contracts or compensatory plans or arrangements required to be filed as an exhibit hereto.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

US ECOLOGY, INC.

By: /s/ ERIC L. GERRATT
Eric L. Gerratt
Executive Vice President, Chief Financial Officer and Treasurer

Date: February 26, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of February 26, 2021.

/s/ JEFFREY R. FEELER
Jeffrey R. Feeler
(Director) President and Chief Executive Officer

/s/ ERIC L. GERRATT
Eric L. Gerratt
Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)

/s/ SIMON G. BELL
Simon G. Bell
Executive Vice President and Chief Operating Officer

/s/ STEVEN D. WELLING
Steven D. Welling
Executive Vice President of Sales and Marketing

/s/ ANDREW P. MARSHALL
Andrew P. Marshall
Executive Vice President of Regulatory Compliance & Safety

/s/ RONALD C. KEATING
Ronald C. Keating
(Director)

/s/ RICHARD BURKE
Richard Burke
(Director)

/s/ RENAE CONLEY
Renae Conley
(Director)

/s/ DANIEL FOX
Daniel Fox
(Director)

/s/ KATINA DORTON
Katina Dorton
(Director)

/s/ JOHN T. SAHLBERG
John Sahlberg
(Director)

/s/ GLENN A. EISENBERG
Glenn A. Eisenberg
(Director)

/s/ MELANIE STEINER
Melanie Steiner
(Director)

/s/ MACK L. HOGANS
Mack L. Hogans
(Director)

Exhibit 3.2

AMENDED AND RESTATED BYLAWS
(dated November 1, 2019 and restated to give effect to Amendment No. 1 dated January 15, 2021)

OF

US ECOLOGY, INC.
(hereinafter called the "Corporation")

ARTICLE I
OFFICES

Section 1. Registered Office. The registered office of the Corporation shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 2. Other Offices. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine.

ARTICLE II
MEETING OF STOCKHOLDERS

Section 1. Place of Meetings. Meetings of the stockholders for the election of directors or for any other purpose shall be held at such time and place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings.

(a) A meeting of stockholders for the election of directors and such other business as may be properly brought before the meeting in accordance with these Bylaws shall be held annually at such date and time as may be designated by the Board of Directors from time to time.

(b) At an annual meeting of the stockholders, only business (other than business relating to the nomination of directors which is governed by Article III, Section 12) that has been properly brought before the stockholder meeting in accordance with the procedures set forth in this Article II, Section 2 shall be conducted. To be properly brought before a meeting of stockholders, such business must be brought before the meeting (i) by or at the direction of the Board of Directors or any committee thereof or (ii) by a stockholder who (A) was a stockholder of record of the Corporation when the notice required by this Article II, Section 2 is delivered to the Secretary of the Corporation and at the time of the meeting, (B) is entitled to vote at the meeting and (c) complies with the notice and other provisions of this Article II, Section 2. Subject to Article II, Section 2(l), and except with respect to nominations of directors, which are governed by Article III, Section 12, Article II, Section 2(b) is the exclusive means by which a stockholder may bring business before a meeting of stockholders. Any business brought before a meeting in accordance with Article II, Section 2 is referred to as "Stockholder Business".

(c) Subject to Article II, Section 2(l), at any annual meeting of stockholders, all proposals of Stockholder Business must be made by timely written notice given by or on behalf of a stockholder of record of the Corporation (the "Notice of Business") and must otherwise be a proper matter for stockholder action. To be timely, the Notice of Business must be delivered personally or mailed to, and received at the executive office of the Corporation, addressed to the Secretary of the Corporation, by no earlier than 120 days and no later than 90 days before the first anniversary of the date of the prior year's annual meeting of stockholders; provided, however, that if (i) the annual meeting of stockholders is advanced by more than 30 days, or delayed by more than 60 days, from the first anniversary of the prior year's annual meeting of stockholders or (ii) no annual meeting was held during the prior year, the notice by the stockholder to be

timely must be received (A) no earlier than 120 days before such annual meeting and (B) no later than the later of 90 days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was first made by mail or Public Disclosure. In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of a stockholder meeting commence a new time period (or extend any existing time period) for the giving of the Notice of Business.

(d) The Notice of Business must set forth:

i. the name and record address of each stockholder proposing Stockholder Business (the "Proponent"), as they appear on the Corporation's books;

ii. the name and address of any Stockholder Associated Person;

iii. as to each Proponent and any Stockholder Associated Person, (A) the class or series and number of shares of stock directly or indirectly held of record and beneficially owned by the Proponent or Stockholder Associated Person, (B) the date such shares of stock were acquired, (C) a description of any agreement, arrangement or understanding (whether oral or in writing), direct or indirect, between or among the Proponent, any Stockholder Associated Person or any others (including their names) acting in concert with any of the foregoing, (D) any material pending or threatened legal proceeding in which such Proponent or Stockholder Associated Person is a party or material participant involving the Corporation or any of its officers or directors, (E) any other material relationship between the Proponent or any Stockholder Associated Person, on the one hand, and the Corporation or any affiliate of the Corporation, on the other hand, (F) any direct or indirect material interest in any contract or agreement of such Proponent or any Stockholder Associated Person with the Corporation or any affiliate of the Corporation (including, without limitation, any employment agreement, collective bargaining agreement or consulting agreement), (G) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions and borrowed or loaned shares) that has been entered into, directly or indirectly, by the Proponent or any Stockholder Associated Person and that remains in effect, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of the Proponent or any Stockholder Associated Person with respect to shares of stock of the Corporation, (H) a description in reasonable detail of any proxy (including revocable proxies), contract, arrangement, understanding or other relationship pursuant to which the Proponent or any Stockholder Associated Person has a right to vote any shares of stock of the Corporation, and (I) any other information relating to such Proponent or Stockholder Associated Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proponent or Stockholder Associated Person in support of the Stockholder Business proposed to be brought before the meeting pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The information specified in this Article II, Section 2(d)(i) to (iii) is referred to herein as "Stockholder Information";

iv. a representation that each Proponent is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such Stockholder Business;

v. a brief description of the Stockholder Business desired to be brought before the annual meeting, the text of the proposal (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend these Bylaws, the language of the proposed amendment) and the reasons for conducting such Stockholder Business at the meeting;

vi. any material interest of each Proponent and any Stockholder Associated Person in such Stockholder Business;

vii. a representation as to whether the Proponent intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding

capital stock required to approve or adopt such Stockholder Business or (B) otherwise to solicit proxies from stockholders in support of such Stockholder Business;

viii. all other information that would be required to be filed with the U.S. Securities and Exchange Commission ("SEC") if the Proponents or Stockholder Associated Persons were participants in a solicitation subject to Section 14 of the Exchange Act; and

ix. a representation that the Proponents shall provide any other information reasonably requested by the Corporation.

(e) The Proponents shall also provide any other information reasonably requested from time to time by the Corporation within ten business days after each such request.

(f) In addition, the Proponent shall affirm as true and correct the information provided to the Corporation in the Notice of Business or at the Corporation's request pursuant to Article II, Section 2(e) (and shall update or supplement such information as needed so that such information shall be true and correct) as of (i) the record date for the meeting, (ii) the date that is ten calendar days before the first anniversary date of the Corporation's proxy statement released to stockholders in connection with the previous year's annual meeting and (iii) the date that is ten business days before the meeting and, if applicable, before reconvening any adjournment or postponement thereof. Such affirmation, update and/or supplement must be delivered personally or mailed to, and received at the executive office of the Corporation, addressed to the Secretary of the Corporation, by no later than (x) five business days after the applicable date specified in clause (i) or (ii) of the foregoing sentence (in the case of the affirmation, update and/or supplement required to be made as of those dates), and (y) not later than seven business days before the date for the meeting (in the case of the affirmation, update and/or supplement required to be made as of ten business days before the meeting or reconvening any adjournment or postponement thereof).

(g) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting, that business was not properly brought before the meeting in accordance with the procedures set forth in this Article II, Section 2. Notwithstanding anything in these Bylaws to the contrary, any such business not properly brought before the meeting shall not be transacted.

(h) If the Proponent (or a qualified representative of the Proponent) does not appear at the meeting of stockholders to present the Stockholder Business, such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Article II, Section 2, to be considered a qualified representative of the Proponent, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(i) "Public Disclosure" of any date or other information means disclosure thereof by a press release reported by the Dow Jones News Services, Associated Press or comparable U.S. national news service or in a document publicly filed by the Corporation with the SEC pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(j) "Stockholder Associated Person" means with respect to any stockholder, (i) any other beneficial owner of stock of the Corporation that is owned by such stockholder and (ii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the stockholder or such beneficial owner.

(k) "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting stock, by contract, or otherwise. A person who is the owner of 20% or more of the outstanding voting stock of a corporation,

partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary.

(l) The notice requirements of this Article II, Section 2 shall be deemed satisfied with respect to stockholder proposals that have been properly brought under Rule 14a-8 of the Exchange Act and that are included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting.

Section 3. Special Meetings. Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by the Board of Directors pursuant to a resolution adopted by a majority of the directors then in office, and shall be held at such place, on such date, and at such time as the resolution shall fix. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice of the meeting.

Section 4. Notice of Meetings. Written notice of the place, date, and time of all meetings of the stockholders shall be given, not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or as required from time to time by the Delaware General Corporation Law or the Certificate of Incorporation.

Section 5. Quorum; Adjournment. At any meeting of the stockholders, the holders of a majority of all of the shares of the stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law or the Certificate of Incorporation. If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date, or time without notice other than announcement at the meeting, until a quorum shall be present or represented.

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 6. Proxies and Voting. At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Each stockholder shall have one vote for every share of stock entitled to vote which is registered in his name on the record date for the meeting, except as otherwise provided herein or required by law or the Certificate of Incorporation.

All voting, except where otherwise provided herein or required by law or the Certificate of Incorporation, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or such stockholder's proxy, a stock vote shall be taken. Every stock vote shall be taken by ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballots shall be counted by an inspector or inspectors appointed by the chairman of the meeting.

Except as otherwise required by law or the Certificate of Incorporation, all matters shall be determined by a majority of the votes cast.

Section 7. Stock List. A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the

number of shares registered in such stockholder's name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

Section 8. Actions by Stockholders. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 9. Record Date. In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten (10) days after the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or any officer or agent of the Corporation having custody of the book in which proceedings of stockholders meetings are recorded. Delivery shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

In the event of the delivery to the Corporation of a written consent or consents purporting to authorize or take corporate action and/or related revocations (each such written consent and related revocation is referred to in this paragraph as a "Consent"), the Secretary of the Corporation shall provide for the safe-keeping of such Consent and shall conduct such reasonable investigation as he deems necessary or appropriate for the purpose of ascertaining the validity of such consent and all matters incident thereto, including, without limitation, whether stockholders having the requisite voting power to authorize or take the action specified in the Consent have given consent; provided, however, that if the corporate action to which the Consent relates is the removal or replacement of one or more members of the Board of Directors, the Secretary of the Corporation shall designate two persons, who shall not be members of the Board of Directors or officers or employees of the Corporation, to serve as Inspectors with respect to such Consent and such Inspectors shall discharge the functions of the Secretary of the Corporation under this paragraph. If after such investigation the Secretary or the Inspectors (as the case may be) shall determine that the Consent is valid, that fact shall be certified on the records of the Corporation for the purpose of recording the proceedings of meetings of the stockholders, and the Consent shall be filed with such records, at which time the Consent shall become effective as stockholder action.

In conducting the investigation required by this Section 9, the Secretary or the Inspectors (as the case may be) may, but are not required to (i) at the expense of the Company, retain any necessary or appropriate professional advisors, and such other personnel as they may deem necessary or appropriate to assist them and (ii) allow any

officers and representatives of the Company, stockholders soliciting consents or revocations, and any other interested parties to propose challenges and pose questions relating to the preliminary results of such investigation following the availability of such preliminary results.

ARTICLE III
BOARD OF DIRECTORS

Section 1. Duties and Powers. The business of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law or by the Certificate of Incorporation or by these Bylaws directed or required to be exercised or done by the stockholders.

Section 2. Number and Term of Office. The Board of Directors shall consist of not less than five (5) nor more than twelve (12) members. Such set number of directors or the limits herein set forth may be changed from time to time by resolution of the Board of Directors or the stockholders, except as otherwise provided by law or the Certificate of Incorporation. Except as provided in Sections 3 and 4 of this Article, directors shall be elected by the holders of record at Annual Meetings of Stockholders, and each director so elected shall hold office until the next Annual Meeting and until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. Any director may resign at any time upon written notice to the Corporation. Directors need not be stockholders.

Section 3. Chairman of the Board. The Board of Directors at its first meeting held after each Annual Meeting of Stockholders, or thereafter, may designate one of its members as Chairman of the Board to serve for the ensuing year or until his successor is designated. The Chairman of the Board, if any, shall preside at all meetings of the stockholders and the Board of Directors and shall have such other duties and powers as may be prescribed by the Board of Directors from time to time.

Section 4. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director or by the stockholders entitled to vote at any Annual or Special Meeting held in accordance with Article II, and the directors so chosen shall hold office until the next Annual or Special Meeting duly called for that purpose and until their successors are duly elected and qualified, or until their earlier resignation or removal.

Section 5. Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware. The first meeting of each newly-elected Board of Directors shall be held immediately following the Annual Meeting of Stockholders and no notice of such meeting shall be necessary to be given the newly-elected directors in order legally to constitute the meeting, provided a quorum shall be present. Regular meetings of the Board of Directors may be held without notice at such time and at such place as may from time to time be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman of The Board, the Chief Executive Officer, the President or a majority of the directors then in office. Notice thereof stating the place, date and hour of the meeting shall be given to each director either by mail not less than forty-eight (48) hours before the date of the meeting, by telephone, telegram or telecopy on twenty-four (24) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. Meetings may be held at any time without notice if all the directors are present or if all those not present waive such notice in accordance with Section 2 of the Article VI of these Bylaws.

Section 6. Quorum. Except as may be otherwise specifically provided by law, the Certificate of Incorporation or these Bylaws, at all meetings of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. Actions of Board Without a Meeting. Unless otherwise provided by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 8. Meetings by Means of Conference Telephone. Unless otherwise provided by the Certificate of Incorporation or these Bylaws, members of the Board of Directors of the Corporation, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 8 shall constitute presence in person at such meeting.

Section 9. Committees. The Board of Directors may, by resolution passed by a majority of the directors then in office, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any committee, to the extent allowed by law and provided in the Bylaws or resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each committee shall keep regular minutes and report to the Board of Directors when required.

Section 10. Compensation. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as a director. The directors may also be compensated in such other manner as determined by the Board of Directors. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed compensation for attending committee meetings as determined by the Board of Directors.

Section 11. Removal. Unless otherwise restricted by the Certificate of Incorporation or Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of shares entitled to vote at an election of directors.

Section 12. Nominations of Directors.

(a) Subject to Article III, Section 12(k), only persons who are nominated in accordance with the procedures set forth in this Article III, Section 12 are eligible for election as directors.

(b) Nominations of persons for election to the Board of Directors may only be made at a meeting properly called for the election of directors and only (i) by or at the direction of the Board of Directors or any committee thereof or (ii) by a stockholder who (A) was a stockholder of record of the Corporation when the notice required by this Article III, Section 12 is delivered to the Secretary of the Corporation and at the time of the meeting, (B) is entitled to vote for the election of directors at the meeting and (C) complies with the notice and other provisions of this Article III, Section 12. Subject to Article III, Section 12(k), Article III, Section 12(c) is the exclusive means by which a stockholder may nominate a person for election to the Board of Directors. Persons nominated in accordance- with Article III, Section 12 are referred to as "Stockholder Nominees". A stockholder nominating persons for election to the Board of Directors is referred to as the "Nominating Stockholder".

(c) Subject to this Article III, Section 12(c), all nominations of Stockholder Nominees must be made by timely written notice given by or on behalf of a stockholder of record of the Corporation (the "Notice of Nomination"). To be timely, the Notice of Nomination must be delivered personally or mailed to and received at the executive office of the Corporation, addressed to the attention of the Secretary of the Corporation, by the following dates:

i. in the case of the nomination of a Stockholder Nominee for election to the Board of Directors at an annual meeting of stockholders, no earlier than 120 and no later than 90 days before the first anniversary of the date of the prior year's annual meeting of stockholders; provided, however, that if (A) the annual meeting of stockholders is advanced by more than 30 days, or delayed by more than 60 days, from the first anniversary of the prior year's annual meeting of stockholders or (B) no annual meeting was held during the prior year, the notice by the stockholder to be timely must be received (1) no earlier than 120 days before such annual meeting and (2) no later than the later of 90 days before such annual meeting and the tenth day after the day on which the notice of such annual meeting was first made by mail or Public Disclosure, and

ii. in the case of the nomination of a Stockholder Nominee for election to the Board of Directors at a special meeting of stockholders, no earlier than 120 days before and no later than the later of 90 days before such special meeting and the tenth day after the day on which the notice of such special meeting was first made by mail or Public Disclosure.

(d) Notwithstanding anything to the contrary, if the number of directors to be elected to the Board of Directors at a meeting of stockholders is increased and there is no Public Disclosure by the Corporation naming the nominees for the additional directorships at least 100 days before the first anniversary of the preceding year's annual meeting, a Notice of Nomination shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered personally and received at the executive office of the Corporation, addressed to the attention of the Secretary of the Corporation, no later than the close of business on the tenth day following the day on which such Public Disclosure is first made by the Corporation.

(e) In no event shall an adjournment, postponement or deferral, or Public Disclosure of an adjournment, postponement or deferral, of an annual or special meeting commence a new time period (or extend any time period) for the giving of the Notice of Nomination.

(f) The Notice of Nomination shall set forth:

i. the Stockholder Information with respect to each Nominating Stockholder and Stockholder Associated Person (except that references to the "Proponent" in Article II, Section 2(d)(i) to (iii) shall instead refer to the "Nominating Stockholder," and the disclosure required by Article II, Section 2(d)(iii)(C) may be omitted, for purposes of this Article III, Section 12(f)(i));

ii. a representation that each Nominating Stockholder is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to propose such nomination;

iii. a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among a Nominating Stockholder, Stockholder Associated Person or their respective associates, or others acting in concert therewith, including all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the Nominating Stockholder, Stockholder Associated Person or any person acting in concert therewith, were the "registrant" for purposes of such rule and the Stockholder Nominee were a director or executive of such registrant;

iv. a representation as to whether the Nominating Stockholders intends (A) to deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve the nomination or (B) otherwise to solicit proxies from stockholders in support of such nomination;

v. all other information that would be required to be filed with the SEC if the Nominating Stockholders and Stockholder Associated Person were participants in a solicitation subject to Section 14 of the Exchange Act;

vi. a representation that the Nominating Stockholders shall provide any other information reasonably requested by the Corporation;

vii the written consent of each Stockholder Nominee to being named in a proxy statement as a nominee and to serve if elected; and

viii. a completed and signed written questionnaire (in the form provided by the Secretary upon written request) with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made.

(g) The Nominating Stockholders shall also provide any other information reasonably requested from time to time by the Corporation within ten business days after each such request.

(h) In addition, the Nominating Stockholder shall affirm as true and correct the information provided to the Corporation in the Notice of Nomination or at the Corporation's request pursuant to Article III, Section 12(g) (and shall update or supplement such information as needed so that such information shall be true and correct) as of (i) the record date for the meeting, (ii) the date that is ten calendar days before the first anniversary date of the Corporation's proxy statement released to stockholders in connection with the previous year's annual meeting (in the case of an annual meeting) or 50 days before the date of the meeting (in the case of a special meeting) and (iii) the date that is ten business days before the date of the meeting or any adjournment or postponement thereof. Such affirmation, update and/or supplement must be delivered personally or mailed to, and received at the executive office of the Corporation, addressed to the Secretary of the Corporation, by no later than (1) five business days after the applicable date specified in clause (i) or (ii) of the foregoing sentence (in the case of the affirmation, update and/or supplement required to be made as of those dates), and (2) not later than seven business days before the date for the meeting (in the case of the affirmation, update and/or supplement required to be made as of ten business days before the meeting or reconvening any adjournment or postponement thereof).

(i) The person presiding over the meeting shall, if the facts warrant, determine and declare to the meeting, that the nomination was not made in accordance with the procedures set forth in this Article III, Section 12. Any such defective nomination shall be disregarded.

(j) If the Nominating Stockholder (or a qualified representative of the Nominating Stockholder) does not appear at the applicable stockholder meeting to nominate the Stockholder Nominees, such nomination shall be disregarded and such Stockholder Nominees shall not be qualified for election as Directors, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Article III, Section 12, to be considered a qualified representative of the Nominating Stockholder, a person must be a duly authorized officer, manager or partner of such Nominating Stockholder or must be authorized by a writing executed by such Nominating Stockholder or an electronic transmission delivered by such Nominating Stockholder to act for such Nominating Stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(k) Nothing in this Article III, Section 12 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation pursuant to any applicable provision of the Certificate of Incorporation.

ARTICLE IV
OFFICERS

Section 1. General. The officers of the Corporation shall be appointed by the Board of Directors and may include a Chief Executive Officer, a President, a Chief Financial Officer, one or more Vice Presidents, a Treasurer, and a Secretary. The Board of Directors may also choose one or more assistant secretaries and assistant treasurers, and such other officers and agents as the Board of Directors, in its sole discretion, shall deem necessary or appropriate from time to time. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these Bylaws otherwise provide.

Section 2. Election: Term of Office. The Board of Directors at its first meeting held after each Annual Meeting of Stockholders may elect a Chief Executive Officer, a President, a Treasurer and a Secretary and may also elect at that meeting or any other meeting, such other officers and agents as it shall deem necessary or appropriate. Each officer of the Corporation shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors together with the powers and duties customarily exercised by such officer; and each officer of the Corporation shall hold office until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign at any time upon written notice to the Corporation. The Board of Directors may at any time, with or without cause, by the affirmative vote of a majority of directors then in office, remove any officer. Such removal shall be without prejudice to and shall not diminish such officer's contractual rights, if any.

Section 3. Chief Executive Officer. The Chief Executive Officer of the Corporation shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. Subject to the powers of the Board of Directors, the Chief Executive Officer shall have general executive charge, management and control of the properties and operations of the Corporation with all such powers with respect to such properties and operations as may be reasonably incident to such responsibilities. The Chief Executive Officer shall possess the power to execute all bonds, mortgages, certificates, contracts and other instruments except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. The Chief Executive Officer shall have and exercise such further powers and duties as may be specifically delegated to or vested in the Chief Executive Officer from time to time by these Bylaws or the Board of Directors. In the absence of the Chairman of the Board or in the event of his inability or refusal to act, or if the Board has not designated a Chairman, the Chief Executive Officer shall perform the duties of the Chairman of the Board, and when so acting, shall have all of the powers and be subject to all of the restrictions upon the Chairman of the Board.

Section 4. President. The President shall be the Chief Operating Officer of the Corporation and shall have general and active charge of the operations of the Corporation, subject to the powers of the Board of Directors and the Chief Executive Officer. Subject to the powers and direction of the Chief Executive Officer, the President shall possess the power to execute all bonds, mortgages, certificates, contracts and other instruments except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation. In the absence of the Chief Executive Officer, or in the event of his inability or refusal to act, the President shall perform the duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer. The President shall have and exercise such further powers and duties as the Board of Directors or the Chief Executive Officer may from time to time prescribe.

Section 5. Vice President-Finance. The Vice President-Finance shall be the chief financial officer of the Corporation and shall have responsibility for all financial operations of the Corporation. The Vice President-Finance shall oversee the Treasurer and any Assistant Treasurers, and the Treasurer and any Assistant Treasurers shall report to the Vice President-Finance. The Vice President-Finance shall have and exercise such further powers and duties as the Board of Directors or the Chief Executive Officer may from time to time prescribe.

Section 6. Vice Presidents. In addition to the Vice President-Finance, the Board of Directors may elect such other Vice Presidents as it shall from time to time deem necessary or appropriate. Each Vice President shall have and perform such powers and duties as the Board of Directors, the Chief Executive Officer, or the President may from time to time prescribe.

Section 7. Treasurer. Subject to the oversight of the Vice President-Finance, the Treasurer shall have the custody of the corporate funds and securities and shall keep complete and accurate accounts of all receipts and disbursements of the Corporation, and shall deposit all monies and other valuable effects of the Corporation in its name and to its credit in such banks and other depositories as may be designated from time to time by the Board of Directors. The Treasurer shall disburse the funds of the Corporation, taking proper vouchers and receipts for such disbursements, and shall render to the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall have such other powers and perform such other duties as the Board of Directors, the Chief Executive Officer or the Vice President-Finance shall from time to time prescribe.

Section 8. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of stockholders and record all the proceedings thereat in a book or books to be kept for that purpose; the Secretary shall also perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall have and exercise such further powers and duties as may be prescribed by the Board of Directors or the Chief Executive Officer. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the Board of Directors or the Chief Executive Officer may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The Secretary shall see that all books, reports, statements, certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 9. Assistant Treasurer. Except as may be otherwise provided in these Bylaws, Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, the Vice President-Finance or the Treasurer, and shall have the authority to perform all functions of the Treasurer, and when so acting, shall have all the powers of and be subject to all restrictions upon the Treasurer.

Section 10. Assistant Secretaries. Except as may be otherwise provided in these Bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer or the Secretary, and shall have the authority to perform all functions of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

Section 11. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

Section 12. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chief Executive Officer, the President, the Vice President-Finance, any other Vice President or the Secretary and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

ARTICLE V
STOCK

Section 1. Form of Certificates. Shares of the capital stock of the Corporation may be certificated or uncertificated, as provided under Delaware General Corporation Law. Every holder of stock in the Corporation, upon written request, shall be entitled to have a certificate signed, in the name of the Corporation (i) by the Chief Executive Officer, the President or a Vice President and (ii) the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation.

Section 2. Signatures. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or such owner's legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these Bylaws. Transfers of stock shall be made on the books of the Corporation, if such stock is certificated, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate therefor, which shall be cancelled before a new certificate shall be issued, or upon proper instructions from the holder of uncertificated shares, in each case with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

Section 5. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 6. Beneficial Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

ARTICLE VI
NOTICES

Section 1. Notices. Whenever written notice is required by law, the Certificate of Incorporation or these Bylaws, to be given to any director, member of a committee or stockholder, such notice may be given by mail, addressed to such director, member of a committee or stockholder, at such person's address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by telegram, telex, telecopy or cable and such notice shall be deemed to be given at the time of receipt thereof, if given personally, and at the time of transmission thereof if given by telegram, telex, telecopy or cable.

Section 2. Waiver of Notice. Whenever any notice is required by law, the Certificate of Incorporation or these Bylaws to be given to any director, member of a committee or stockholder, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated, therein, shall be deemed equivalent to notice.

ARTICLE VII
GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting or by any committee of the Board of Directors having such authority at any meeting thereof, and may be paid in cash, in property, in shares of the capital stock or in any combination thereof. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 2. Disbursements. All notes, checks, drafts and orders for the payment of money issued by the Corporation shall be signed in the name of the Corporation by such officers or such other persons as the Board of Directors may from time to time designate.

Section 3. Corporation Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE VIII
AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted at any meeting of the Board of Directors or of the stockholders, provided notice of the proposed change was given in the notice of the meeting.

ARTICLE IX
EXCLUSIVE FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if such court does not have subject matter jurisdiction thereof, another State court in Delaware or, if and only if all such State courts do not have jurisdiction, the federal district court of the State of Delaware) and any appellate court therefrom shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action or proceeding asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director, officer, other employee, agent or stockholder of the Corporation to the Corporation or the Corporation's stockholders, including without limitation a claim alleging the aiding and abetting of such a breach of fiduciary duty, (iii) any action or proceeding asserting a claim against the Corporation or any current or former director, officer, employee, agent or stockholder of the Corporation arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's Certificate of Incorporation or these Bylaws or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim related to or involving the Corporation that is governed by the internal affairs doctrine. For the avoidance of doubt, this first paragraph of this Article IX shall not apply to any action brought to enforce a duty or liability created by the Securities Act of 1933, as amended ("Securities Act") or the Exchange Act.

Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act and the rules and regulations promulgated thereunder.

Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX.

Failure to enforce the foregoing provisions would cause the Corporation irreparable harm, and the Corporation shall be entitled to equitable relief, including injunctive relief and specific performance, to enforce the foregoing provisions.

Exhibit 4.2

DESCRIPTION OF THE COMPANY'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

As of December 31, 2020, US Ecology, Inc. ("we," "our," the "Company") has two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (1) common stock of the Company and (2) warrants to acquire shares of our common stock. The following description is a general summary of the terms of the shares of our common stock and warrants. The description below does not include all of the terms of the shares of our common stock and warrants and should be read together with our Amended and Restated Certificate of Incorporation, as amended from time to time (the "Amended Charter"), and our Amended and Restated Bylaws, as amended from time to time (the "Amended Bylaws"), each of which are incorporated by reference as an exhibit to this Annual Report on Form 10-K.

Common Stock

General

Under the Amended Charter, we have the authority to issue 75,000,000 shares of common stock, par value $0.01 per share. Each share of our common stock has the same relative rights and is identical in all respects to each other share of our common stock. The rights, preferences and privileges of our holders of common stock are subject to the rights, preferences and privileges of the holders of shares of any series of preferred stock that we have issued or may issue in the future.

Voting Rights

The holders of our common stock are entitled to one vote per share on any matter to be voted upon by our stockholders; provided, however, that our Amended Charter entitles holders of shares of our common stock have cumulative voting in connection with the election of directors, which means that holders are entitled to as many votes as shall equal the number of votes which (except for this provision on cumulative voting) such holder is entitled to cast for the election of directors with respect to such holder's shares of stock multiplied by the number of directors to be elected by such holder, and such holder may cast all of such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as such holder may see fit.

Dividends

The holders of our common stock are entitled to receive dividends, if any, when, as and if declared by our board of directors out of funds legally available for payment.

Liquidation Rights

In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, the holders of shares of our common stock are entitled to share ratably in all assets remaining after the payment of creditors.

Preemptive Rights

Holders of our common stock will not have preemptive, conversion, redemption or sinking fund rights.

Transfer Restrictions

Our Amended Charter contains transfer restrictions to ensure compliance with the U.S. citizen ownership requirements of the U.S. coastwise trade laws, which are principally contained in 46 U.S.C. Chapters 121, 505 and 551 and the related regulations (collectively, the "Jones Act"), as described below under the heading "Restrictions on US Ecology Stock Ownership and Purchase of Capital Stock by Non-U.S. citizens under our Amended Charter."

Nasdaq Listing

Our common stock is listed on the Nasdaq Global Select Market System ("Nasdaq") under the symbol "ECOL."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer and Trust Company, LLC and its address and telephone number are 6201 15th Avenue, Brooklyn, NY 11219 and (800) 937-5449, respectively.

Delaware Law and Certain Amended Charter and Amended Bylaws Provisions

The provisions of Delaware law and of our Amended Charter and Amended Bylaws discussed below could discourage or make it more difficult to acquire control of the Company by means of a tender offer, open market purchases, a proxy contest or otherwise. Our board of directors believes that these charter provisions are appropriate to protect our interests and the interests of our stockholders. A summary of these provisions is set forth below. This summary does not purport to be complete and is qualified in its entirety by reference to the Delaware General Corporation Law (the "DGCL"), our Amended Charter and our Amended Bylaws.

Section 203 of the Delaware General Corporation Law

We are subject to the provisions of Section 203 of the DGCL. Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes mergers, asset sales and other transactions resulting in a financial benefit to the interested stockholder. Subject to specified exceptions, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation's voting stock.

Stockholders Rights Plan Policy

Stockholder rights plans can protect stockholders against abusive takeover tactics and ensure that each stockholder is treated fairly in an acquisition. Such plans have been effective in connection with bids for control of other companies in giving boards of directors' time to evaluate offers, investigate alternatives and take steps necessary to maximize value to stockholders. In lieu of adopting a stockholder rights plan, our board of directors has instead adopted a policy with respect to the adoption of any stockholder rights plan for us in the future. Our policy, adopted in July 2012, is that we will adopt a stockholder rights plan only if, in the exercise of their fiduciary duties, a majority of the independent directors conclude that it would be in our best interests and those of the holders of the majority of the shares of our common stock. Our board believes that this policy addresses the legitimate concerns that stockholders have with the use of stockholder rights plans while maintaining its ability to act in the stockholders' best interests and preserving our flexibility to react to unanticipated situations which may arise without notice.

Number of Directors; Removal; Filling Vacancies

Our Amended Bylaws provide that our board of directors will consist of not less than five and not more than twelve directors, the exact number to be fixed from time to time by resolution adopted by our directors. Further, subject to the rights of the holders of any series of our preferred stock, if any, our Amended Bylaws authorize our board of directors to elect additional directors under specified circumstances and fill any vacancies that occur in our board by reason of death, resignation, removal, or otherwise. A director so elected by our board to fill a vacancy or a newly created directorship holds office until the next election and until his successor is elected and qualified. Subject to the rights of the holders of any series of our preferred stock, if any, our Amended Bylaws also provide that directors may be removed with or without cause by the affirmative vote of holders of a majority of the combined voting power of the then outstanding stock of the Company.

Indemnification

We have included in our Amended Charter and Amended Bylaws provisions to eliminate the personal liability of our directors for monetary damages resulting from breaches of their fiduciary duty to the extent permitted by the DGCL, and to indemnify our directors and officers to the fullest extent permitted by Section 145 of the DGCL, including circumstances in which indemnification is otherwise discretionary. These provisions may have the effect of reducing the likelihood of derivative litigation against our directors and may discourage or deter stockholders or management from bringing a lawsuit against our directors for breach of their duty of care, even though such an action,

if successful, might otherwise have benefited the Company and our stockholders. We believe that these provisions are necessary to attract and retain qualified persons as directors and officers.

Advance Notice Provision

The Amended Bylaws establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of the Company's stockholders, including proposed nominations of persons for election to our board of directors. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the board of directors or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given the Company timely written notice to the corporate secretary in proper form and consistent with the notice requirements set forth in the Amended Bylaws. Such notice requirements include, but are not limited to, the stockholder nominee's name and address, the class and amount of stock beneficially owned by the stockholder nominee and disclosure of any material agreements or litigation between the Company and stockholder nominee.

Restrictions on our Stock Ownership and Purchase of Capital Stock by Non-U.S. citizens under our Amended Charter

Certain of our operations are conducted in the U.S. coastwise trade and are governed by the Jones Act, which is principally contained in 46 U.S.C. Chapters 121, 505 and 551 and the related regulations. The Jones Act restricts the transportation of merchandise and passengers for hire by water or by land and water, either directly or via a foreign port between points in the United States and certain of its island territories and possessions, to U.S.-flag vessels that meet certain requirements, including that they are built in the United States, owned and controlled by U.S. citizens (within the meaning of the Jones Act), and manned by predominantly U.S. citizen crews. Should the Company fail to satisfy the requirements of the Jones Act to be a U.S. citizen, the Company would be prohibited from operating its vessels in the U.S. coastwise trade during the period of such non-compliance. In addition, the Company could be subject to substantial fines and its vessels could be subject to seizure and forfeiture for violations of the Jones Act.

The following is a summary of the restrictions (the "Maritime Restrictions") in Article Eighth of the Amended Charter. This summary is qualified in its entirety by reference to the full text of the Amended Charter.

General Restriction on Ownership of Shares by non-U.S. citizens

In order to protect the Company's eligibility as a U.S. citizen, the Amended Charter restricts the record or beneficial ownership or control of shares of each class or series of our capital stock, which includes common stock, by non-U.S. citizens to no more than 24% in the aggregate of the total issued and outstanding shares of such class or series. The Company refers to such percentage restriction on ownership by non-U.S. citizens of any class or series of shares of the Company's capital stock as the "Permitted Percentage" and any such shares owned by non-U.S. citizens in excess of the Permitted Percentage as "Excess Shares." The Amended Charter provides that a person will not be deemed to be the beneficial owner of shares of our capital stock, if our board of directors determines that such person is not the beneficial owner of such shares for the purposes of the Jones Act. All references to beneficial ownership of shares and the derivative phrases thereof in this summary of the Maritime Restrictions include record ownership of shares and the ability to control shares.

Restriction on Transfers of Excess Shares

The Maritime Restrictions provide that no shares of any class or series of the capital stock of the Company may be transferred to a non-U.S. citizen or a holder of record that will hold such shares for or on behalf of a non-U.S. citizen if, upon completion of such transfer, the number of shares of such class or series beneficially owned by all non-U.S. citizens in the aggregate would exceed the Permitted Percentage for such class or series. Any transfer or purported transfer of beneficial ownership of any shares of any class or series of capital stock of the Company, the effect of which would be to cause one or more non-U.S. citizens in the aggregate to beneficially own shares of any class or series of capital stock of the Company in excess of the Permitted Percentage for such class or series, shall, to the fullest extent permitted by law, be void ab initio and ineffective, and, to the extent that the Company or its transfer agent (if any) knows that such transfer or purported transfer would, if completed, be in violation of the restrictions on transfers to non-U.S. citizens set forth in the Maritime Restrictions, neither the Company nor its transfer agent (if any) shall register such transfer or purported transfer on the stock transfer records of the Company and neither the Company nor its transfer agent (if any) shall recognize the transferee or purported transferee thereof as a stockholder of the Company for any purpose whatsoever (including for purposes of voting, dividends and other distributions) except to the extent necessary to effect any remedy available to the Company under the Maritime Restrictions. In no event shall any such registration or recognition make such transfer or purported transfer effective unless our board of directors (or any duly authorized committee thereof, or any officer of the Company who shall have been duly authorized by our board of directors or any such committee thereof) shall have expressly and specifically authorized the same.

In connection with any purported transfer of shares of any class or series of the capital stock of the Company, any transferee or proposed transferee of shares and, if such transferee or proposed transferee is acting as a fiduciary or nominee for a beneficial owner, such beneficial owner, may be required by the Company or its transfer agent to deliver (1) certification (which may include as part

thereof a form of affidavit) upon which the Company and its transfer agent shall be entitled to rely conclusively stating whether such transferee or proposed or purported transferee

or, if such transferee or proposed transferee is acting as custodian, nominee, purchaser representative or in any other capacity for a beneficial owner, whether such beneficial owner, is a U.S. citizen, and (2) such other documentation and information concerning its citizenship under the Maritime Restrictions as the Company may request in its sole discretion. Registration and recognition of any transfer of shares may be denied by the Company upon refusal to furnish any of the foregoing citizenship certifications, documentation or information requested by the Company. Each proposed transferor of such shares shall reasonably cooperate with any requests from the Company to facilitate the transmission of requests for such citizenship certifications and such other documentation and information to the proposed transferee and such proposed transferee's responses thereto.

Notwithstanding any of the Maritime Restrictions, the Company shall be entitled to rely, without limitation, on the stock transfer and other stockholder records of the Company (and its transfer agent) for the purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies, and otherwise conducting votes of stockholders.

Excess Shares

If on any date, including, without limitation, any record date (each, an "Excess Share Date"), the number of shares of any class or series of capital stock of the Company beneficially owned by all non-U.S. citizens in the aggregate should exceed the Permitted Percentage with respect to such class or series of capital stock, irrespective of the date on which such event becomes known to the Company (such shares in excess of the Permitted Percentage, the "Excess Shares"), then the shares of such class or series of capital stock of the Company that constitute Excess Shares for purposes of the Maritime Restrictions shall be (1) those shares that have been acquired by or become beneficially owned by non-U.S. citizens, starting with the most recent acquisition of beneficial ownership of such shares by a non-U.S. citizen and including, in reverse chronological order of acquisition, all other acquisitions of beneficial ownership of such shares by non-U.S. citizens from and after the acquisition of beneficial ownership of such shares by a non-U.S. citizen that first caused such Permitted Percentage to be exceeded, or (2) those shares beneficially owned by non-U.S. citizens that exceed the Permitted Percentage as the result of any repurchase or redemption by the Company of shares of its capital stock, starting with the most recent acquisition of beneficial ownership of such shares by a non-U.S. citizen and going in reverse chronological order of acquisition; provided, however, that: (a) the Company shall have the power to determine, in its sole discretion, those shares of such class or series that constitute Excess Shares in accordance with the provisions of the Maritime Restrictions; (b) the Company may, in its sole discretion, rely on any documentation provided by non-U.S. citizens with respect to the date and time of their acquisition of beneficial ownership of Excess Shares; (c) if the acquisition of beneficial ownership of more than one Excess Share occurs on the same date and the time of acquisition is not definitively established, then the order in which such acquisitions shall be deemed to have occurred on such date shall be determined by lot or by such other method as the Company may, in its sole discretion, deem appropriate; (d) Excess Shares that result from a determination that a beneficial owner has ceased to be a U.S. citizen shall be deemed to have been acquired, for purposes of the Maritime Restrictions, as of the date that such beneficial owner ceased to be a U.S. citizen; and (e) the Company may adjust upward to the nearest whole share the number of shares of such class or series deemed to be Excess Shares. Any determination made by the Company pursuant to the Maritime Restrictions as to which shares of any class or series of the Company's capital stock constitute Excess Shares of such class or series shall be conclusive and shall be deemed effective as of the applicable Excess Share Date for such class or series.

Redemption of Excess Shares

To the extent that the above ownership and transfer restrictions would be ineffective for any reason, the Maritime Restrictions provide that, to prevent the percentage of aggregate shares of any class or series of the Company's capital stock owned by non-U.S. citizens from exceeding the Permitted Percentage, the Company, by action of our board of directors (or any duly authorized committee thereof), in its sole discretion, will have the power (but not the obligation) to redeem all or any number of such Excess Shares, unless such redemption is not permitted under applicable law.

Until such Excess Shares are redeemed or they are no longer Excess Shares, the holders of such shares will not be entitled to any voting rights with respect to such shares and the Company will pay any dividends or distributions with respect to such shares into a segregated account. Full voting, distribution and dividend rights will be restored to

such Excess Shares (and any dividends or distributions paid into a segregated account will be paid to holders of record of such shares), promptly after the time and to the extent that such shares have ceased to be Excess Shares, unless such shares have already been redeemed by the Company.

If our board of directors (or any duly authorized committee thereof) determines to redeem Excess Shares, the per share redemption price (the "Redemption Price") for each Excess Share shall be paid by the issuance of one Redemption Warrant (as defined below) for each Excess Share; provided, however, that if (1) the Company determines that a Redemption Warrant would be treated as capital stock under the Jones Act or (2) the Company is prevented from legally issuing Redemption Warrants under applicable law, then the Redemption Price shall be paid, as determined by our board of directors (or any duly authorized committee thereof) in its sole discretion, (a) in cash (by wire transfer or bank or cashier's check), (b) by the issuance of Redemption Notes (as defined below), (c) by any combination of cash and Redemption Notes, or (d) by any other means authorized or permitted under the DGCL.

- "Redemption Warrants" means the warrants issued pursuant to that certain Assignment, Assumption and Amendment to the Warrant Agreement, dated November 1, 2019, among the Company, American Stock Transfer & Trust Company, LLC, NRC Group Holdings Corp. and Continental Stock Transfer and Trust Company (the "Warrant Agreement"), with respect to the warrants entitling the holders thereof to purchase shares of our common stock with an exercise price per warrant equal to $0.01 per share of our common stock. A holder of Redemption Warrants (or its proposed or purported transferee) who cannot establish to the satisfaction of the Company that it is a U.S. citizen shall not be permitted to exercise its Redemption Warrants if the shares issuable upon exercise would constitute Excess Shares if they were issued. Redemption Warrants shall not entitle the holder to have any rights or privileges of stockholders of the Company solely by virtue of such Redemption Warrants, including, without limitation, any rights to vote, to receive dividends or distributions, to exercise any preemptive rights, or to receive notices, in each case, as stockholders of the Company, until they exercise their Redemption Warrants and receive shares of our common stock.

- "Redemption Notes" means interest-bearing promissory notes of the Company with a maturity of not more than ten years from the date of issue and bearing interest at a fixed rate equal to the yield on the U.S. Treasury Note having a maturity comparable to the term of such Redemption Notes as published in The Wall Street Journal or comparable publication at the time of the issuance of the Redemption Notes. Such notes shall be governed by the terms of an indenture to be entered into by and between the Company and a trustee, as may be amended from time to time. Redemption Notes shall be redeemable at par plus accrued but unpaid interest.

With respect to the portion of the Redemption Price being paid in whole or in part by cash and/or by the issuance of Redemption Notes, such portion of the Redemption Price shall be an amount equal to, in the case of cash, or a principal amount equal to, in the case of Redemption Notes, the sum of (1) the fair market value of such Excess Share as of the date of redemption of such Excess Share plus (2) an amount equal to the amount of any dividend or any other distribution (upon liquidation or otherwise) declared in respect of such Excess Share prior to the date on which such Excess Share is called for redemption and which amount has been paid into a segregated account by the Company.

Written notice of the redemption of the Excess Shares containing the information set forth in the Maritime Restrictions, together with a letter of transmittal to accompany certificates, if any, representing the Excess Shares that have been called for redemption, shall be given either by hand delivery or by overnight courier service or by first-class mail, postage prepaid, to each holder of record of the Excess Shares to be redeemed, at such holder's last known address as the same appears on the stock register of the Company (the "Redemption Notice"), unless such notice is waived in writing by any such holders.

The date on which the Excess Shares shall be redeemed (the "Redemption Date") shall be the later of (1) the date specified in the Redemption Notice sent to the record holder of the Excess Shares (which shall not be earlier than the date of such notice), and (2) the date on which the Company has irrevocably deposited in trust with a paying agent

or set aside for the benefit of such record holder consideration sufficient to pay the Redemption Price to such record holders of such Excess Shares in Redemption Warrants, cash and/or Redemption Notes.

Each Redemption Notice to each holder of record of the Excess Shares to be redeemed shall specify (1) the Redemption Date (as determined pursuant to the Maritime Restrictions), (2) the number and the class or series of shares of capital stock to be redeemed from such holder as Excess Shares (and, to the extent such Excess Shares are certificated, the certificate number(s) representing such Excess Shares), (3) the Redemption Price and the manner of payment thereof, (4) the place where certificates for such Excess Shares (if such Excess Shares are certificated) are to be surrendered for cancellation, (5) any instructions as to the endorsement or assignment for transfer of such certificates (if any) and the completion of the accompanying letter of transmittal, and (6) the fact that all right, title and interest in respect of the Excess Shares to be redeemed (including, without limitation, voting, dividend and distribution rights) shall cease and terminate on the Redemption Date, except for the right to receive the Redemption Price, without interest.

On and after the Redemption Date, all right, title and interest in respect of the Excess Shares selected for redemption (including, without limitation, voting and dividend and distribution rights) shall forthwith cease and terminate, such Excess Shares shall no longer be deemed to be outstanding shares for any purpose, including, without limitation, for purposes of voting or determining the total number of shares entitled to vote on any matter properly brought before the stockholders for a vote thereon or receiving any dividends or distributions (and may be either cancelled or held by the Company as treasury stock), and the holders of record of such Excess Shares shall thereafter be entitled only to receive the Redemption Price, without interest.

Upon surrender of the certificates (if any) for any Excess Shares so redeemed in accordance with the requirements of the Redemption Notice and the accompanying letter of transmittal (and otherwise in proper form for transfer as specified in the Redemption Notice), the holder of record of such Excess Shares shall be entitled to payment of the Redemption Price. In case fewer than all the shares represented by any such certificate are redeemed, a new certificate (or certificates), to the extent such shares were certificated, shall be issued representing the shares not redeemed, without cost to the holder of record. On the Redemption Date, to the extent that dividends or other distributions (upon liquidation or otherwise) with respect to the Excess Shares selected for redemption were paid into a segregated account, then, to the fullest extent permitted by applicable law, such amounts shall be released to the Company upon the completion of such redemption.

Nothing in the Maritime Restrictions will prevent the recipient of a Redemption Notice from transferring its shares before the Redemption Date if such transfer is otherwise permitted under the Maritime Restrictions and applicable law and the recipient provides notice of such proposed transfer to the Company along with the documentation and information required under the Maritime Restrictions establishing that such proposed transferee is a U.S. citizen to the satisfaction of the Company in its sole discretion before the Redemption Date. If such conditions are met, our board of directors (or any duly authorized committee thereof) will withdraw the Redemption Notice related to such shares, but otherwise the redemption thereof will proceed on the Redemption Date in accordance with the Maritime Restrictions and the Redemption Notice.

Permitted Actions by the Company to Enforce the Maritime Restrictions

The Company has the power to determine the citizenship of the beneficial owners and the transferees or proposed transferees (and, if such transferees or proposed transferees are acting as fiduciaries or nominees for any beneficial owners, the citizenship of such beneficial owners) of any class or series of the Company's capital stock and to require confirmation from time to time of the citizenship of the beneficial owners of any shares of its capital stock. As a condition to acquiring and having beneficial ownership of any shares of its capital stock, every beneficial owner of the Company's shares must comply with certain provisions in the Maritime Restrictions concerning citizenship, which are summarized below. The Company has the right under the Maritime Restrictions to require additional reasonable proof of the citizenship of beneficial owners, transferees or proposed transferees (and any beneficial owners for whom such transferees or proposed transferees are acting as fiduciaries or nominees) of any shares of its capital stock, and the determination of the Company at any time as to the citizenship of such persons is conclusive.

The Maritime Restrictions require that promptly upon a beneficial owner's acquisition of beneficial ownership of 5% or more of the outstanding shares of any class or series of capital stock of the Company, and at such other times as the Company may determine by written notice to such beneficial owner, such beneficial owner must provide to the Company a written statement or an affidavit, as specified by the Company, stating the name and address of such beneficial owner, the number of shares of each class or series of capital stock of the Company beneficially owned by such beneficial owner as of a recent date, the legal structure of such beneficial owner, a statement as to whether such beneficial owner is a U.S. citizen, and such other information and documents required by the U.S. Coast Guard or the U.S. Maritime Administration under the Jones Act, including 46 C.F.R. part 355. In addition, under the Maritime Restrictions, a beneficial owner is required to provide such a written statement or affidavit when the Company determines, in its sole discretion, that the citizenship status of such beneficial owner may have changed or that it is necessary under the Jones Act for the Company to confirm the Company's citizenship status.

Under the Maritime Restrictions, when a beneficial owner of any shares of the Company's capital stock ceases to be a U.S. citizen, such beneficial owner is required to provide to the Company, as promptly as practicable but in no event less than five business days after the date such beneficial owner becomes aware that it is no longer a U.S. citizen, a written statement, stating the name and address of such beneficial owner, the number of shares of each class or series of its capital stock beneficially owned by such beneficial owner as of a recent date, the legal structure of such beneficial owner, and a statement as to such change in status of such beneficial owner to a non-U.S. citizen.

The Maritime Restrictions require that, promptly after becoming a beneficial owner, every beneficial owner must provide, or authorize such beneficial owner's broker, dealer, custodian, depositary, nominee or similar agent with respect to the shares of each class or series of the Company's capital stock beneficially owned by such beneficial owner to provide, to the Company such beneficial owner's address. A beneficial owner of the Company's capital stock is also required by the Maritime Restrictions to provide promptly upon request the Company with a written statement or an affidavit, as specified by the Company, stating the name and address of such beneficial owner, together with reasonable documentation of the date and time of such beneficial owner's acquisition of beneficial ownership of the shares of any class or series of capital stock of the Company specified by the Company in its request.

In the event that the Company requests the documentation described above and a beneficial owner fails to provide it by the specified date, the Maritime Restrictions provide for the suspension of the voting rights of such beneficial owner's shares of the Company's capital stock and for the payment of dividends and distributions (upon liquidation or otherwise) with respect to those shares into a segregated account until the requested documentation is submitted in form and substance reasonably satisfactory to the Company (subject to the other Maritime Restrictions). In addition, the Company, upon approval by our board of directors (or any duly authorized committee thereof) in its sole discretion, has the power to treat such beneficial owner as a non-U.S. citizen unless and until the Company receives the requested documentation confirming that such beneficial owner is a U.S. citizen.

In the event that the Company requests a transferee or proposed transferee (and, if such transferee or proposed transferee is acting as a fiduciary or nominee for a beneficial owner, such beneficial owner) of, shares of any class or series of the Company's capital stock to provide the documentation described above, and such person fails to submit it in form and substance reasonably satisfactory to the Company by the specified date, the Company, acting through our board of directors (or any duly authorized committee thereof, or any officer of the Company who shall have been duly authorized by our board of directors or any such committee thereof), will have the power, in its sole discretion, to refuse to accept any application to transfer ownership of such shares (if any) or to register such shares on the stock transfer records of the Company and may prohibit and/or void such transfer, including by placing a stop order with the Company's transfer agent, until such requested documentation is submitted and the Company is satisfied that the proposed transfer of shares will not result in Excess Shares.

Certificates representing shares of any class or series of the Company's capital stock will bear legends concerning the Maritime Restrictions. Within a reasonable time after the issuance or transfer of uncertificated shares of the Company's capital stock, the Company will give notice, in writing or by electronic transmission, of the Maritime Restrictions.

Maritime Restrictions Severable

The Maritime Restrictions are intended to be severable. If any one or more of the Maritime Restrictions is held to be invalid, illegal or unenforceable, the Amended Charter provides that the validity, legality or enforceability of any other provision will not be affected.

Summary of Requirements to be a U.S. citizen

The following is a summary of the requirements to be a U.S. citizen within the meaning of the Jones Act. Each holder and potential purchaser of our stock should consult its own counsel as to whether it is a U.S. citizen or a non-U.S. citizen before purchasing our stock. The Jones Act specifies that ownership of at least 75% of the equity interest by U.S. citizens means ownership free from any trust or fiduciary obligations in favor of, or any agreement, arrangement or understanding or other means by which more than 25% of the voting power or control of the corporation may be exercised directly or indirectly by or on behalf of, non-U.S. citizens. In addition, these citizenship requirements apply at each tier in the Company's ownership chain, which means that they must be satisfied by each person that contributes to the Company's eligibility as a U.S. citizen, and each person that contributes to the eligibility of such other person as a U.S. citizen at each tier of ownership. For entities of a kind not described below, citizenship requirements may vary.

- A natural person is a U.S. citizen if he or she was born in the United States, born abroad to U.S. citizen parents, naturalized, naturalized during minority through the naturalization of a parent, or as otherwise authorized by law.

- A partnership is deemed a U.S. citizen if such holder is (1) organized under the laws of the United States or a state, (2) each general partner is a U.S. citizen, and (3) at least 75% of the ownership and voting power of each class or series of the partnership interests is owned and controlled by U.S. citizens.

- A member-managed limited liability company is deemed a U.S. citizen if such holder is (1) organized under the laws of the United States or a state, (2) each member of the limited liability company is a U.S. citizen, and (3) at least 75% of the ownership and voting power of each class or series of the limited liability company interests is owned and controlled by U.S. citizens.

- A manager-managed limited liability company is deemed a U.S. citizen if such holder is (1) organized under the laws of the United States or a state, (2) each manager is a U.S. citizen within the meaning of the Jones Act, (3) the chief executive officer, by whatever title, and the chairman of the board of directors (or equivalent body) of the limited liability company are U.S. citizens, (4) not more than a minority of the number of the directors (or equivalent office) necessary to constitute a quorum of the board of directors (or equivalent body) of the limited liability company are non-U.S. citizens, and (5) at least 75% of the ownership and voting power of each class or series of the limited liability company interests is owned and controlled by U.S. citizens.

- A corporation is deemed a U.S. citizen if such holder is (1) organized under the laws of the United States or a state, (2) the chief executive officer, by whatever title, and the chairman of the board of directors of the corporation are U.S. citizens, (3) not more than a minority of the number of the directors necessary to constitute a quorum of the board of directors of the corporation are non-U.S. citizens, and (4) at least 75% of the ownership and voting power of each class or series of the corporation's stock is owned and controlled by U.S. citizens.

- A trust is deemed to be a U.S. citizen if it (1) is organized under the laws of the United States or a state, (2) each trustee is a U.S. citizen, (3) each beneficiary with an enforceable interest in the trust is a U.S. citizen, and (4) at least 75% of the equity interest in the trust is owned and controlled by U.S. citizens.

If the Company should fail to comply with the above described ownership requirements, the Company's vessels could lose their ability to engage in U.S. coastwise trade. To assist the Company with compliance with these requirements, the Amended Charter:

- limits ownership by non-U.S. citizens of any class or series of our capital stock (including our common stock) to 24%;
- permits the Company to withhold dividends and suspend voting rights with respect to any shares held by non-U.S. citizens above 24%;
- permits the Company to establish and maintain a dual share system under which different forms of certificates (in the case of certificated shares) and different book entries (in the case of uncertificated shares) are used to reflect whether the owner is or is not a U.S. citizen;
- permits the Company to redeem any shares held by non-U.S. citizens so that the Company's non-U.S. citizen ownership is no greater than 24%; and
- permits the Company to take measures to ascertain ownership of our stock.

All potential investors will be required to certify to the Company if it is a U.S. citizen before investing in our common stock. If you or a proposed transferee cannot or do not make such certification, or a sale of stock to you or a transfer of your stock would result in the ownership by non-U.S. citizens of 24% or more of our common stock, such person may not be allowed to purchase or transfer our common stock, or such purchase or transfer may be reversed or the shares so purchased or transferred may be redeemed under the Amended Charter. All certificates representing the shares of our common stock will bear legends referring to the foregoing restrictions. Within a reasonable time after the issuance or transfer of uncertificated shares of our capital stock, the Company will give notice, in writing or by electronic transmission, of the Maritime Restrictions.

Exclusive Forum

The Amended Bylaws provide that: (i) unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware) and any appellate court therefrom shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (a) any derivative action or proceeding brought on behalf of the Company, (b) any action asserting a claim for or based on a breach of a fiduciary duty owed by any of the Company's current or former directors, officers, other employees, agents or stockholders to the Company or the Company's stockholders, including without limitation a claim alleging the aiding and abetting of such a breach of fiduciary duty, (c) any action asserting a claim against the Company or any of the Company's current or former directors, officers, employees, agents or stockholders arising pursuant to any provision of the DGCL or the Company's Amended Charter or Amended Bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, or (d) any action asserting a claim related to or involving the Company that is governed by the internal affairs doctrine; (ii) unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States will, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations promulgated thereunder; (iii) any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Company will be deemed to have notice of and consented to these provisions; and (iv) failure to enforce the foregoing provisions would cause the Company irreparable harm, and the Company will be entitled to equitable relief, including injunctive relief and specific performance, to enforce the foregoing provisions.

Warrants to Purchase Common Stock

Each warrant entitles the registered holder thereof to purchase our common stock for $58.67 per share, subject to adjustment as discussed below, at any time. Warrants are exercisable only for a whole number of shares of our common stock. No fractional shares will be issued upon exercise of the warrants. The warrants expire upon October 17, 2023, or earlier upon redemption or liquidation. The warrants are listed on Nasdaq Capital Market under the symbol "ECOLW."

The Company is not obligated to deliver any shares of common stock pursuant to the exercise of a warrant and has no obligation to settle a warrant exercise unless a registration statement under the Securities Act with respect to the common stock underlying the warrants is then effective and a prospectus relating thereto is current, subject to the Company satisfying its obligations described below with respect to registration. No warrants is exercisable for cash or on a cashless basis, and the Company is not obligated to issue any common stock to holders seeking to exercise their warrants, unless the issuance of the common stock upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, unless an exemption is available. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a warrant, the holder of such warrant will not be entitled to exercise such warrant and such warrant may have no value and expire worthless.

In no event is the Company required to issue cash, securities or other compensation in exchange for the warrant in the event that the Company is unable to register or qualify the shares underlying the warrant under the Securities Act or applicable state securities laws. If the issuance of the shares upon exercise of the warrant is not so registered or qualified, the holder of such warrant shall not be entitled to exercise such warrant and such warrant may have no value and expire worthless. In such event, holders who acquired their warrants as part of a purchase of units will have paid the full unit purchase price solely for the shares of common stock included in the units.

Notwithstanding the above, if common stock is at the time of any exercise of a warrant not listed on a national securities exchange such that it satisfies the definition of a "covered security" under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of warrants who exercise their warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company so elects, the Company will not be required to file or maintain in effect a registration statement or register or qualify the shares under blue sky laws.

Once the warrants become exercisable, the Company may call the warrants for redemption:

- in whole and not in part;
- at a price of $0.01 per warrant, provided that the last sales price of common stock reported has been at least $91.84 per share on each of 20 days within the 30 trading-day period ending on the business day prior to the date on which notice of the redemption is given (the "Redemption Trigger Price") and provided that there is an effective registration statement covering the shares of common stock issuable on exercise of the warrants and subject to the satisfaction of certain other requirements; and
- upon not less than 30 days' prior written notice of redemption to each warrant holder.

If and when the warrants become redeemable by the Company, the Company may not exercise its redemption right if the issuance of shares of common stock upon exercise of the warrants is not exempt from registration or qualification under applicable state blue sky laws or the Company is unable to effect such registration or qualification. The Company will use its best efforts to register or qualify such shares of common stock under the blue sky laws of the state of residence in those states in which the warrants were offered by the Company.

The last of the redemption criteria discussed above was established to prevent a redemption call unless there is at the time of the call a significant premium to the warrant exercise price. If the foregoing conditions are satisfied and the Company issues a notice of redemption of the warrants, each warrant holder will be entitled to exercise his, her or its warrant prior to the scheduled redemption date. However, the price of the common stock may fall below the Redemption Trigger Price as well as the warrant exercise price.

If the Company calls the warrants for redemption as described above, the Company's management will have the option to require any holder that wishes to exercise his, her or its warrants to do so on a "cashless basis." In determining whether to require all holders to exercise their warrants on a "cashless basis," the Company's management will consider, among other factors, the Company's cash position, the number of warrants that are outstanding and the dilutive effect on the Company's stockholders of issuing the maximum number of shares of common stock issuable upon the exercise of the warrants. If the Company's management takes advantage of this option, all holders of warrants would pay the exercise price by surrendering their warrants for that number of shares of common stock equal to the quotient obtained by dividing (1) the product of the number of shares of common stock underlying the warrants, multiplied by the difference between the exercise price of the warrants and the "fair market value" (defined below) by (2) the fair market value. The "fair market value" shall mean the average reported last sale price of the common stock for the ten trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. If the Company's management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of common stock to be received upon exercise of the warrants, including the fair market value in such case. Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a warrant redemption. The Company believes this feature is an attractive option to the Company if the Company does not need the cash from the exercise of the warrants.

A holder of a warrant may notify the Company in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such warrant, to the extent that after giving effect to such exercise, such person (together with such person's affiliates), to the warrant agent's actual knowledge, would beneficially own in excess of 4.9% or 9.8% (or such other amount as a holder may specify) of the shares of common stock outstanding immediately after giving effect to such exercise.

If the number of outstanding shares of common stock is increased by a stock dividend payable in shares of common stock, or by a split-up of shares of common stock or other similar event, then, on the effective date of such stock dividend, split-up or similar event, the number of shares of common stock issuable on exercise of each warrant will be increased in proportion to such increase in the outstanding shares of common stock. A rights offering to holders of common stock entitling holders to purchase shares of common stock at a price less than the fair market value will be deemed a stock dividend of a number of shares of common stock equal to the product of (1) the number of shares of common stock actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for common stock) multiplied by (2) one minus the quotient of (i) the price per share of common stock paid in such rights offering divided by (ii) the fair market value. For these purposes (1) if the rights offering is for securities convertible into or exercisable for common stock, in determining the price payable for common stock, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (2) fair market value means the volume weighted average price of common stock as reported during the ten trading day period ending on the trading day prior to the first date on which the shares of common stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if the Company, at any time while the warrants are outstanding and unexpired, pays a dividend or makes a distribution in cash, securities or other assets to the holders of common stock on account of such shares of common stock (or other shares of the Company's capital stock into which the warrants are convertible), other than (1) as described above or (2) certain ordinary cash dividends then the warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each share of common stock in respect of such event.

If the number of outstanding shares of common stock is decreased by a consolidation, combination, reverse stock split or reclassification of shares of common stock or other similar event, then, on the effective date of such consolidation, combination, reverse stock split, reclassification or similar event, the number of shares of common stock issuable on exercise of each warrant will be decreased in proportion to such decrease in outstanding shares of common stock.

Whenever the number of shares of common stock purchasable upon the exercise of the warrants is adjusted, as described above, the warrant exercise price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (1) the numerator of which will be the number of shares of common stock purchasable upon the exercise of the warrants immediately prior to such adjustment, and (2) the denominator of which will be the number of shares of common stock so purchasable immediately thereafter.

In case of any reclassification or reorganization of the outstanding shares of common stock (other than those described above or that solely affects the par value of such shares of common stock), or in the case of any merger or consolidation of the Company with or into another corporation (other than a consolidation or merger in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the Company's outstanding shares of common stock), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the holders of the warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the warrants and in lieu of the shares of common stock immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the warrants would have received if such holder had exercised their warrants immediately prior to such event. However, if such holders were entitled to exercise a right of election as to the kind or amount of securities, cash or other assets receivable upon such consolidation or merger, then the kind and amount of securities, cash or other assets for which each warrant will become exercisable will be deemed to be the weighted average of the kind and amount received per share by such holders in such consolidation or merger that affirmatively make such election, and if a tender, exchange or redemption offer has been made to and accepted by such holders (other than a tender, exchange or redemption offer made by the Company in connection with redemption rights held by stockholders as provided for in the charter) under circumstances in which, upon completion of such tender or exchange offer, the maker thereof, together with members of any group (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) of which such

maker is a part, and together with any affiliate or associate of such maker (within the meaning of Rule 12b-2 under the Exchange Act) and any members of any such group of which any such affiliate or associate is a part, own beneficially (within the meaning of Rule 13d-3 under the Exchange Act) more than 50% of the outstanding shares of common stock, the holder of a warrant will be entitled to receive the highest amount of cash, securities or other property to which such holder would actually have been entitled as a stockholder if such warrant holder had exercised the warrant prior to the expiration of such tender or exchange offer, accepted such offer and all of the common stock held by such holder had been purchased pursuant to such tender or exchange offer, subject to adjustments (from and after the consummation of such tender or exchange offer) as nearly equivalent as possible to the adjustments provided for in the Warrant Agreement. Additionally, if less than 70% of the consideration receivable by the holders of common stock in such a transaction is payable in the form of common stock in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holder of the warrant properly exercises the warrant within 30 days following public disclosure of such transaction, the warrant exercise price will be reduced based on the per share consideration minus the Black-Scholes warrant value of the warrant in order to determine and realize the option value component of the warrant. This formula is to compensate the warrant holder for the loss of the option value portion of the warrant due to the requirement that the warrant holder exercise the warrant within 30 days of the event. The Black-Scholes model is an accepted pricing model for estimating fair market value where no quoted market price for an instrument is available.

The warrants are issued in registered form under the Warrant Agreement. The Warrant Agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but will require the approval by the holders of at least 65% of the then outstanding warrants to make any change that adversely affects the interests of the registered holders of warrants.

The warrants are exercisable upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price (or on a cashless basis, if applicable), by certified or official bank check payable to the Company, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock and any voting rights until they exercise their warrants and receive shares of common stock. After the issuance of shares of common stock upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number of shares of common stock to be issued to the warrant holder.

As discussed above, in order to protect the Company's eligibility as a U.S. citizen in case that ownership of common stock by non-U.S. citizens exceeds the maximum percentage permitted by the Jones Act (presently 25%), the Amended Charter and the Amended Bylaws contain provisions that limit the maximum aggregate percentage of ownership by non-U.S. citizens of the common stock to 24% of the outstanding shares of common stock. At and during such time that the 24% maximum permitted percentage of ownership by non-U.S. citizens is reached with respect to shares of common stock, the Company will be unable to permit the exercise of any warrants by non-U.S. citizens. If a holder of the warrants that is a non-U.S. citizen is unable to exercise such warrants, it may have to wait to exercise such warrants until such time that the 24% maximum permitted percentage of ownership by non-U.S. citizens is not reached with respect to shares of common stock or may have to sell such warrants to a U.S. citizen who is able to exercise the warrants.

Exhibit 10.6

AMENDED AND RESTATED
US ECOLOGY, INC.
OMNIBUS INCENTIVE PLAN

Section 1. *Purpose of the Plan.* The purpose of the Amended and Restated US Ecology, Inc. Omnibus Incentive Plan (the "*Plan*") is to assist the Company and its Subsidiaries in attracting, motivating and retaining valued Employees, Consultants and Non-Employee Directors by offering them a greater stake in the Company's success and a closer identity with it, aligning the interests of Employees, Consultants and Non-Employee Directors with the interests of the Company's shareholders and encouraging ownership of the Company's stock by such Employees, Consultants and Non-Employee Directors. In connection with, and as contemplated by, that certain Agreement and Plan of Merger, dated as of June 23, 2019, by and among US Ecology, Inc. (now known as US Ecology Holdings, Inc.), US Ecology Parent, Inc. (now known as US Ecology, Inc.), Rooster Merger Sub, Inc., ECOL Merger Sub, Inc., and NRC Group Holdings Corp. (as amended and/or restated from time to time, the "*Merger Agreement*"), the Company assumed the US Ecology, Inc. Omnibus Incentive Plan (the "*Pre-Merger Plan*"), amended and restated such plan as set forth herein and renamed it the Amended and Restated US Ecology, Inc. Omnibus Incentive Plan. All awards granted under the Pre-Merger Plan that were outstanding as of immediately prior to the Effective Time (as defined in the Merger Agreement) were assumed by the Company at the Effective Time and converted to be in respect of Shares (as defined below), and shall be treated as if they were issued under the Plan (such awards as converted, the "*Converted Awards*").

Section 2. *Definitions.* As used herein, the following definitions shall apply:

2.1. "*Affiliate*" means, with respect to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

2.2. "*Award*" means any of Restricted Stock, Performance Stock, Options, SARs, Restricted Stock Units, Performance Stock Units, Other Stock-Based Awards or Cash-Based Awards under the Plan.

2.3. "*Award Agreement*" means the written agreement, instrument or document evidencing an Award.

2.4. "*Beneficial Owner*" has the meaning set forth in Rule 13d-3 under the Exchange Act.

2.5. "*Board*" means the Board of Directors of the Company.

2.6. "*Cash-Based Awards*" means an Award Granted under Section 6.8 of the Plan.

2.7. "*Cause*" means,

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Cause" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement or if no definition of "Cause" is set forth in the applicable employment, consulting, severance or similar agreement, "Cause" shall have the meaning provided in the applicable Award Agreement; or

(c) if neither (a) nor (b) applies, then "Cause" shall mean (i) engaging in (A) willful or gross misconduct or (B) willful or gross neglect; (ii) failing to adhere to the directions of superiors or the Board or the written policies and practices of the Company or its Subsidiaries or Affiliates; (iii) the commission of a felony or a crime involving any of the following: moral turpitude, dishonesty, breach of trust or unethical business conduct; or the commission of any crime involving the Company or its Subsidiaries or Affiliates; (iv) fraud, misappropriation or embezzlement; (v) a material breach of the Participant's employment agreement (if any) with the Company or its Subsidiaries or Affiliates, whether or not such breach results in the termination of the Participant's employment; (vi) acts or omissions constituting a material failure to perform substantially and adequately the duties assigned to the Participant; (vii) any illegal act detrimental to the Company or its Subsidiaries or Affiliates; (viii) repeated failure to devote substantially all of the Participant's business time and efforts to the Company if required by the Participant's employment agreement; (ix) the Participant's abuse of illegal drugs and other controlled substances or the Participant's habitual intoxication; or (x) any other action for which the Participant's employment may be terminated under the Participant's employment agreement, if any, or for which applicable law permits summary dismissal without notice.

2.8. "*Change in Control*" means, after the Effective Date:

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Change in Control" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement or if no definition of "Change in Control" is set forth in the applicable employment, consulting, severance or similar agreement, "Change in Control" shall have the meaning provided in the applicable Award Agreement; or

(c) if neither (a) nor (b) applies, then "Change in Control" shall mean:

(i) the consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "*Business Combination*"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the Beneficial Owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 50% of the combined voting power of the then-outstanding securities of the entity

resulting from such Business Combination in substantially the same proportions as their ownership of the combined voting power of the Company's outstanding securities immediately prior to the Business Combination; *provided*, *however*, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) any transaction as a result of which any person is the Beneficial Owner, directly or indirectly, of securities of the Company representing more than 50% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this clause (ii), the term "person" shall have the same meaning as when used in sections 13(d) and 14(d) of the Exchange Act, but shall exclude (x) a trustee or other fiduciary holding securities under an executive benefit plan of the Company or of a subsidiary and (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company;

(iii) the sale, transfer, or other disposition of all or substantially all of the Company's assets, other than to a wholly-owned Subsidiary or to a holding company of which the Company is a direct or indirect wholly owned subsidiary prior to such transaction;

(iv) the consummation of a plan of complete liquidation or substantial dissolution of the Company; or

(v) a change in the composition of the Board in any two-year period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***" shall mean directors who either (a) are directors of the Company as of the date hereof or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing, no event shall constitute a Change in Control with respect to an Award that constitutes "non-qualified deferred compensation" (within the meaning of Section 409A of the Code) unless such Change in Control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5).

2.9. "*Code*" means the Internal Revenue Code of 1986, as amended.

2.10. "*Company*" means US Ecology, Inc. (formerly known as US Ecology Parent, Inc.), a Delaware corporation, or any successor corporation.

2.11. "*Committee*" means the Compensation Committee of the Board. The Committee shall have at least two members, each of whom shall be a "non-employee director" as defined in Rule 16b-3 under the Exchange Act and an "outside director" as defined in Section 162(m) of the

Code and the regulations thereunder, and, if applicable, shall meet the independence requirements of the applicable stock exchange, quotation system or other regulatory organization on which Shares are traded.

2.12. "*Consultant*" means an individual other than an Employee or Non-Employee Director who provides bona fide services to the Company or a Subsidiary.

2.13. "*Disability*" means,

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Disability" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement or if no definition of "Disability" is set forth in the applicable employment, consulting, severance or similar agreement, "Disability" shall have the meaning provided in the applicable Award Agreement; or

(c) if neither (a) nor (b) applies, then "Disability" shall mean that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

2.14. "*Effective Date"* means the date on which the Plan becomes effective, which shall be the date on which the closing of the Parent Merger (as defined in the Merger Agreement) occurs.

2.15. "*Employee*" means an individual who is an officer or an employee of the Company or a Subsidiary.

2.16. "*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

2.17. "*Fair Market Value*" means, on any given date (i) the average of the high and low sale prices reported as having occurred on the NASDAQ Global Market System (or other principal exchange or market on which the Shares are traded or listed) on such date, or, if no sale was made on such date on such principal exchange or market, on the last preceding day on which the Shares were traded or listed; or (ii) if (i) does not apply, such value as the Committee in its discretion may in good faith determine (such determination shall be made (a) in accordance with Section 409A of the Code and the regulations thereunder to the extent applicable and (b) in accordance with Section 422 of the Code and the regulations thereunder to the extent the Award granted is intended to be an Incentive Stock Option).

2.18. "*Good Reason*" means,

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Good Reason" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement or if no definition of "Good Reason" is set forth in the applicable employment, consulting, severance or similar agreement, "Good Reason" shall have the meaning provided in the applicable Award Agreement; or

(c) if neither (a) nor (b) applies, then "Good Reason" shall mean, following a Change in Control, unless cured by the Company within 30 days following notice from the Participant thereof, (i) a relocation of the Participant's principal place of employment or other service that increases the Participant's one-way commute by more than 50 miles; (ii) a material diminution in the Participant's duties or responsibilities; or (iii) a decrease in the Participant's base salary or annual bonus opportunity, other than a decrease resulting from an across-the-board reduction in salaries or annual bonus opportunities applicable to similarly situated employees or the failure to meet performance criteria applicable to incentive compensation.

2.19. "*Grant Date*" means the date specified by the Committee on which a grant of an Award shall become effective, which shall not be earlier than the date on which the Committee takes action with respect thereto.

2.20. "*Incentive Stock Option*" means an Option or portion thereof intended to meet the requirements of an incentive stock option as defined in Section 422 of the Code and designated as an Incentive Stock Option, and if the Committee does not designate an Option as an Incentive Stock Option in the Award Agreement, the terms of the Award Agreement for such Option hereby provide that the Option will not be treated as an Incentive Stock Option under Section 422 of the Code.

2.21. "*Non-Employee Director*" means a member of the Board who is not an Employee.

2.22. "*Non-Qualified Option*" means an Option or portion thereof that does not qualify as or is not intended to be an Incentive Stock Option or that is not designated as an Incentive Stock Option in the Award Agreement.

2.23. "*Option*" means a right granted under Section 6.1 of the Plan to purchase a specified number of Shares at a specified price. An Option may be an Incentive Stock Option or a Non-Qualified Option.

2.24. "*Other Stock-Based Awards"* means a right granted under Section 6.7 of the Plan.

2.25. "*Participant*" means any Employee, Non-Employee Director or Consultant who receives an Award.

2.26. "*Performance Goals*" means any goals established by the Committee in its sole discretion, the attainment of which is substantially uncertain at the time such goals are established. Performance Goals may be described in terms of Company-wide objectives or objectives that are related to the performance of the individual Participant or a Subsidiary, division, department or function within the Company or Subsidiary in which the Participant is employed. Performance Goals may be measured on an absolute or relative basis. Relative performance may be measured by a group of peer companies, by a financial market index or by another external measure.

Performance Goals may be based upon: specified levels of or increases in the Company's, a division's or a Subsidiary's return on capital, equity or assets; earnings measures/ratios (on a gross, net, pre-tax or post-tax basis), including diluted earnings per share, total earnings, operating earnings, earnings growth, earnings before interest and taxes (EBIT) and earnings before interest, taxes, depreciation and amortization (EBITDA); net economic profit (which is operating earnings minus a charge to capital); net income; operating income; safety and/or environmental record; sales; sales growth; gross margin; direct margin; share price (including but not limited to growth measures and total stockholder return), operating profit; operating efficiency; costs; per period or cumulative cash flow (including but not limited to operating cash flow and free cash flow) or cash flow return on investment (which equals net cash flow divided by total capital); inventory turns; financial return ratios; enterprise value; economic value added or other value added measurements; revenue; market share; balance sheet measurements such as receivable turnover; improvement in or attainment of expense levels; improvement in or attainment of working capital levels; debt reduction; strategic innovation, including but not limited to entering into, substantially completing, or receiving payments under, relating to, or deriving from a joint development agreement, licensing agreement, or similar agreement; completion of acquisitions, business expansion or divestitures of the Company, a division or a Subsidiary; implementation of critical projects or related milestones; achievement of operational or efficiency milestones; customer or employee satisfaction; individual objectives; any financial or other measurement deemed appropriate by the Committee as it relates to the results of operations or other measurable progress of the Company and its Subsidiaries (or any business unit of the Company or any of its Subsidiaries); and any combination of any of the foregoing criteria. Subject to Section 7.4, if the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which it conducts its business, or other events or circumstances render the Performance Goals unsuitable, the Committee may modify such Performance Goals or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable.

2.27. "*Performance Period*" means the period, which shall not be less than one year, selected by the Committee during which the performance of the Company, any Subsidiary, any department of the Company or any Subsidiary, or any individual is measured for the purpose of determining the extent to which a Performance Goal has been achieved.

2.28. "*Performance Stock*" means Shares awarded by the Committee under Section 6.4 of the Plan that are subject to Performance Goals.

2.29. "*Performance Stock Unit*" means the right granted under Section 6.6 of the Plan to receive, on the date of settlement, one Share or an amount equal to the Fair Market Value of one Share that is subject to Performance Goals. Performance Stock Units may be settled in cash, Shares or any combination thereof; *provided*, *however*, that unless otherwise provided in an Award Agreement, Performance Stock Units shall be settled in Shares.

2.30. "*Person*" means an individual, corporation, partnership, association, limited liability company, estate or other entity.

2.31. "*Qualified Performance-Based Award*" has the meaning set forth in Section 7.1.

2.32. "*Restricted Stock*" means Shares awarded by the Committee under Section 6.3 of the Plan.

2.33. "*Restricted Stock Unit*" means the right granted under Section 6.5 of the Plan to receive, on the date of settlement, one Share or an amount equal to the Fair Market Value of one Share. Restricted Stock Units may be settled in cash, Shares or any combination thereof; *provided*, *however*, that unless otherwise provided in an Award Agreement, Restricted Stock Units shall be settled in Shares.

2.34. "*Restriction Period*" means the period during which Restricted Stock and Restricted Stock Units are subject to forfeiture.

2.35. "*SAR*" means a stock appreciation right awarded by the Committee under Section 6.2 of the Plan. SARs may be settled in cash, Shares or any combination thereof; *provided*, *however*, that unless otherwise provided in an Award Agreement, SARs shall be settled in Shares.

2.36. "*Securities Act*" means the Securities Act of 1933, as amended.

2.37. "*Share*" means a share of the Company's common stock, par value $0.01, or any security into which Shares are converted by reason of any transaction or event of a type described in Section 9.

2.38. "*Subsidiary*" means any corporation, partnership, joint venture or other business entity of which 50% or more of the outstanding voting power is beneficially owned, directly or indirectly, by the Company.

2.39. "*Ten Percent Stockholder*" means an individual who on any given date is the Beneficial Owner (taking into account the attribution rules contained in Section 424(d) of the Code) of stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or a Subsidiary.

Section 3. *Eligibility.* Except as otherwise specifically provided herein, any Employee, Non-Employee Director or Consultant who is selected by the Committee shall be eligible to receive an Award under the Plan.

Section 4. *Administration and Implementation of the Plan*.

4.1. The Plan shall be administered by the Committee. Any action of the Committee in administering the Plan shall be final, conclusive and binding on all Persons, including the Company, its Subsidiaries, Participants, Persons claiming rights from or through Participants and stockholders of the Company. Notwithstanding the foregoing, the Committee may delegate to one or more officers or Board members the authority to grant Awards to eligible individuals other than Non-Employee Directors; *provided* that the Committee may not delegate authority to grant Awards to eligible individuals who are subject to the requirements of Rule 16b-3 of the Exchange Act or Covered Employees within the meaning of Code Section 162(m) and the regulations thereunder. Any such delegation shall be subject to the limitations of Section 157(c) of the Delaware General Corporation Law, and the Committee may revoke any such allocation or delegation at any time for any reason, with or without prior notice.

4.2. Subject to the provisions of the Plan, the Committee shall have full and final authority in its discretion to (i) select the Employees, Non-Employee Directors and Consultants who will receive Awards pursuant to the Plan; *provided* that Awards granted to Non-Employee Directors shall be subject to ratification by the full Board; (ii) determine the type or types of Awards to be granted to each Participant; (iii) determine the number of Shares to which an Award will relate, the terms and conditions of any Award granted under the Plan (including, but not limited to, restrictions as to vesting, Performance Goals relating to an Award, transferability or forfeiture, exercisability or settlement of an Award and waivers or accelerations thereof, and waivers of or modifications to Performance Goals relating to an Award, based in each case on such considerations as the Committee shall determine) and all other matters to be determined in connection with an Award; (iv) determine the exercise price, base price or purchase price (if any) of an Award; (v) determine whether, to what extent, and under what circumstances an Award may be cancelled, forfeited, or surrendered; (vi) determine how a leave of absence will impact an Award, including, without limitation, tolling the vesting schedule or treating such leave of absence as a termination of employment or other service; (vii) determine whether, and to certify that, Performance Goals to which an Award is subject are satisfied; (viii) correct any defect or supply any omission or reconcile any inconsistency in the Plan, and adopt, amend and rescind such rules, regulations, guidelines, forms of agreements and instruments relating to the Plan as it may deem necessary or advisable; (ix) construe and interpret the Plan; and (x) make all other determinations as it may deem necessary or advisable for the administration of the Plan.

Section 5. *Shares Subject to the Plan*.

5.1. Subject to adjustment as provided in Section 9 hereof, the total number of Shares available for Awards under the Plan shall be 1,500,000 (the "*Plan Limit*"), of which 1,500,000 Shares may be issued pursuant to the exercise of Incentive Stock Options. Notwithstanding the foregoing, (i) Awards covering no more than 100,000 Shares may be awarded to any Participant other than a Non-Employee Director in any one calendar year and (ii) Awards covering no more than 25,000 Shares may be awarded to a Non-Employee Director in any one calendar year (provided that, for purposes of these individual limits, none of the Converted Awards nor any other Awards granted by the Company through the assumption or substitution of outstanding grants from an acquired company shall count). For purposes of determining the number of Shares available for Awards under the Plan, each Award that is denominated in Shares but settled in cash shall count against the Plan Limit based on the number of Shares underlying such Award rather than the number of Shares issued in settlement of such Award. Any Shares tendered by a Participant in payment of an exercise price for or settlement of an Award or the tax liability with respect to an Award, including, without limitation, Shares withheld from any such Award, shall not be available for future Awards hereunder. Shares awarded under the Plan may be reserved or made available from the Company's authorized and unissued Shares or from Shares reacquired (through open market transactions or otherwise) and held in the Company's treasury. Any Shares issued by the Company through the assumption or substitution of outstanding grants from an acquired company shall not reduce the number of Shares available for Awards under the Plan. For the avoidance of doubt, Shares issued pursuant to Converted Awards shall be treated as if they were issued under the Plan and shall reduce the number of Shares available for issuance under the Plan.

5.2. If any Shares subject to an Award are forfeited or terminated without the issuance of Shares or settlement in cash, any Shares counted against the number of Shares available for

issuance pursuant to the Plan with respect to such Award shall, to the extent of any such forfeiture or termination, again be available for Awards under the Plan; *provided*, *however*, that the Committee may adopt other procedures for the counting of Shares relating to any Award to ensure appropriate counting, avoid double counting, provide for adjustments in any case in which the number of Shares actually distributed differs from the number of Shares previously counted in connection with such Award, and if necessary, to comply with applicable law or regulations.

Section 6. *Awards.* Awards may be granted on the terms and conditions set forth in this Section 6. In addition, the Committee may impose on any Award or the settlement or exercise thereof, at the Grant Date or thereafter, such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including without limitation terms requiring forfeiture of Awards in the event of the termination of a Participant's employment or other relationship with the Company or any Subsidiary; *provided*, *however*, that, except as provided in Sections 7 or 15, the Committee shall retain full power to accelerate or waive any such additional term or condition as it may have previously imposed. The right of a Participant to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such Performance Goals as may be determined by the Committee. Each Award, and the terms and conditions applicable thereto, shall be evidenced by an Award Agreement.

6.1. *Options.* Options give a Participant the right to purchase a specified number of Shares from the Company for a specified time period at a fixed exercise price, as provided in the applicable Award Agreement. The grant of Options shall be subject to the following terms and conditions:

(a) *Exercise Price.* The price per share at which Shares may be purchased upon exercise of an Option shall be determined by the Committee and specified in the Award Agreement, but shall be not less than the Fair Market Value of a Share on the Grant Date.

(b) *Term of Options.* The term of an Option shall be specified in the Award Agreement, but shall in no event be greater than ten years.

(c) *Exercise of Option*. Each Award Agreement with respect to an Option shall specify the time or times at which an Option may be exercised in whole or in part and the terms and conditions applicable thereto, including (i) a vesting schedule which may be based upon the passage of time, attainment of Performance Goals or a combination thereof, (ii) whether the exercise price for an Option shall be paid in cash, Shares or any combination thereof, (iii) the methods of payment, which may include payment through cashless and net exercise arrangements, to the extent permitted by applicable law and (iv) the methods by which, or the time or times at which, Shares will be delivered or deemed to be delivered to Participants upon the exercise of such Option.

(d) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary

without Cause or by the Participant for Good Reason, the unvested portion of such Participant's Options shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels), and the Participant's Options shall remain exercisable by the Participant or the Participant's beneficiary or legal representative, as the case may be, for a period 90 days thereafter and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of such Participant's Options shall cease to vest and shall be forfeited with no further compensation due the Participant and the vested portion of such Participant's Options shall remain exercisable by the Participant or the Participant's beneficiary or legal representative, as the case may be, for a period of 30 days thereafter; *provided*, *however*, that in no event shall any Option be exercisable after its stated term has expired. All of a Participant's Options, whether or not vested, shall be forfeited immediately upon such Participant's termination by the Company or a Subsidiary for Cause with no further compensation due the Participant.

(e) *No Dividend Equivalent Rights*. No Participant shall be entitled to dividend equivalent rights or payments with respect to any Shares underlying the unexercised portion of the Participant's Options.

(f) *Incentive Stock Options*. The following conditions apply to Awards of Incentive Stock Options in addition to or in lieu of those described above in provisions (a)-(e) of this Section 6.1:

(i) *Eligibility*. Incentive Stock Options may only be granted to Participants who are Employees.

(ii) *Exercise Price*. In the case of Ten Percent Stockholder, the price at which a Share may be purchased upon exercise of an Incentive Stock Option shall not be less than 110% of the Fair Market Value of such Share on the Grant Date.

(iii) *Term of Options*. In the case of a Ten Percent Stockholder, the term of an Incentive Stock Option shall be no greater than five years.

(iv) *Notice*. Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he or she makes a "disqualifying disposition" (as defined in Section 421(b) of the Code) of any Shares acquired pursuant to the exercise of such Incentive Stock Option. The Company may, if determined by the Committee and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an Incentive Stock Option as agent for the applicable Participant until the end of any period during which a disqualifying disposition could occur, subject to complying with any instructions from such Participant as to the sale of such Shares. The aggregate Fair Market Value, determined as of the Grant Date, for Awards granted under the Plan (or any other stock option plan required to be taken into account under Section 422(d) of the Code) that are intended to be Incentive Stock Options which are first exercisable by the Participant during any calendar year shall not exceed $100,000. To the extent an Award purporting to be an Incentive Stock

Option exceeds the limitation in the previous sentence, the portion of the Award in excess of such limit shall be a Non-Qualified Option.

(v) *Limits on Transferability*. Notwithstanding anything in Section 13 to the contrary, no Incentive Stock Option shall be pledged, encumbered, or hypothecated to, or in favor of, or subject to any lien, obligation, or liability of such Participant to, any party, other than the Company or any Subsidiary, or assigned or transferred by such Participant otherwise than by will or the laws of descent and distribution, and such Awards and rights shall be exercisable during the lifetime of the Participant only by the Participant or his or her guardian or legal representative.

6.2. *Stock Appreciation Rights*. An SAR shall confer on the Participant a right to receive, upon exercise thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise over (ii) the grant price of the SAR as determined by the Committee, but which may never be less than the Fair Market Value of one Share on the Grant Date. The grant of SARs shall be subject to the following terms and conditions:

(a) *General*. Each Award Agreement with respect to an SAR shall specify the number of SARs granted, the grant price of the SAR, the time or times at which an SAR may be exercised in whole or in part (including vesting upon the passage of time, the attainment of Performance Goals, or a combination thereof), the method of exercise, method of settlement (in cash, Shares or a combination thereof), method by which Shares will be delivered or deemed to be delivered to Participants (if applicable) and any other terms and conditions of any SAR.

(b) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of such Participant's SARs shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels) and the Participant's SARs shall remain exercisable by the Participant or the Participant's beneficiary or legal representative, as the case may be, for a period 90 days thereafter and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of such Participant's SARs shall cease to vest and shall be forfeited with no further compensation due the Participant and the vested portion of such Participant's SARs shall remain exercisable by the Participant or the Participant's beneficiary or legal representative, as the case may be, for a period of 30 days thereafter; *provided*, *however*, that in no event shall any SAR be exercisable after its stated term has expired. All of a Participant's SARs, whether or not vested, shall be forfeited immediately upon such Participant's termination by the Company or a Subsidiary for Cause with no further compensation due the Participant.

(c) *Term*. The term of an SAR shall be specified in the Award Agreement, but shall in no event be greater than ten years.

(d) *No Dividend Equivalent Rights*. No Participant shall be entitled to dividend equivalent rights or payments with respect to any Shares underlying the Participant's SARs.

6.3. *Restricted Stock*. An Award of Restricted Stock is a grant by the Company of a specified number of Shares to the Participant, which Shares are subject to forfeiture upon the happening of specified events during the Restriction Period. An Award of Restricted Stock shall be subject to the following terms and conditions:

(a) *General*. Each Award Agreement with respect to Restricted Stock shall specify the duration of the Restriction Period, if any, and/or each installment thereof, the conditions under which the Restricted Stock may be forfeited to the Company, and the amount, if any, the Participant must pay to receive the Restricted Stock. Such restrictions may include a vesting schedule based upon the passage of time.

(b) *Transferability*. During the Restriction Period, if any, the transferability of Restricted Stock shall be prohibited or restricted in the manner and to the extent prescribed in the applicable Award Agreement. Such restrictions may include, without limitation, rights of repurchase or first refusal in the Company or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture in the hands of any transferee.

(c) *Stockholder Rights*. Unless otherwise provided in the applicable Award Agreement, during the Restriction Period the Participant shall have all the rights of a stockholder with respect to Restricted Stock, including, without limitation, the right to receive dividends thereon (whether in cash or Shares), at the same time such dividends are paid on Shares generally, and to vote such shares of Restricted Stock.

(d) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Award of Restricted Stock held by such Participant shall vest in full and the applicable Restriction Period shall expire and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Award of Restricted Stock held by such Participant shall be forfeited with no further compensation due the Participant.

6.4. *Performance Stock*. An Award of Performance Stock is a grant by the Company of a specified number of Shares to the Participant, which Shares are conditional on the achievement of Performance Goals during the Performance Period and subject to forfeiture upon the happening

of specified events during the Restriction Period. An Award of Performance Stock shall be subject to the following terms and conditions:

(a) *General*. Each Award Agreement with respect to Performance Stock shall specify the duration of the Performance Period and the Restriction Period, if any, and/or each installment thereof, the Performance Goals applicable to the Performance Stock and the conditions under which the Performance Stock may be forfeited to the Company, and the amount, if any, the Participant must pay to receive the Performance Stock. Such restrictions may include a vesting schedule based on the attainment of Performance Goals measured on a milestone basis or in respect of the Performance Period.

(b) *Transferability*. During the Restriction Period, if any, the transferability of Performance Stock shall be prohibited or restricted in the manner and to the extent prescribed in the applicable Award Agreement. Such restrictions may include, without limitation, rights of repurchase or first refusal in the Company or provisions subjecting the Performance Stock to a continuing substantial risk of forfeiture in the hands of any transferee.

(c) *Stockholder Rights*. Unless otherwise provided in the applicable Award Agreement, during the Restriction Period the Participant shall have all the rights of a stockholder with respect to Performance Stock; *provided* that the Participant shall not have the right to receive or accumulate dividends paid on or with respect to Performance Stock during the applicable Performance Period (whether in cash or Shares), which dividends shall be forfeited to the Company with no compensation due therefor; *provided*, further, that the Participant shall have the right to receive dividends paid after the expiration of the Performance Period with respect to earned Shares, whether or not such Shares are subject to restriction under Section 6.3, at the same time such dividends are paid on Shares generally.

(d) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Award of Performance Stock held by such Participant shall vest in full (with the Performance Goals being deemed to have been achieved at target or, if greater, actual levels) and the applicable Restriction Period shall expire and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Award of Performance Stock held by such Participant shall be forfeited with no further compensation due the Participant.

6.5. *Restricted Stock Units*. Restricted Stock Units are solely a device for the measurement and determination of the amounts to be paid to a Participant under the Plan. Restricted Stock Units do not constitute Shares and shall not be treated as (or as giving rise to) property or as a trust fund of any kind. The right of any Participant in respect of an Award of

Restricted Stock Units shall be no greater than the right of any unsecured general creditor of the Company. The grant of Restricted Stock Units shall be subject to the following terms and conditions:

(a) *Restriction Period*. Each Award Agreement with respect to Restricted Stock Units shall specify the duration of the Restriction Period, if any, and/or each installment thereof and the conditions under which such Award may be forfeited to the Company. Such restrictions may include a vesting schedule based upon the passage of time.

(b) *Termination of Employment or Other* Service. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Award of Restricted Stock Units credited to such Participant shall vest in full, the applicable Restriction Period shall expire and each such Award of Restricted Stock Units shall be settled in accordance with Section 6.5(c) and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Award of Restricted Stock Units credited to such Participant shall be forfeited with no compensation due the Participant.

(c) *Settlement*. Unless otherwise provided in an Award Agreement, subject to the Participant's continued employment or other service with the Company or a Subsidiary from the Grant Date through the expiration of the Restriction Period (or applicable portion thereof), the vested portion of an Award of Restricted Stock Units shall be settled within 30 days after the expiration of the Restriction Period (or applicable portion thereof).

(d) *Stockholder Rights*. Nothing contained in the Plan shall be construed to give any Participant rights as a stockholder with respect to an Award of Restricted Stock Units (including, without limitation, any voting, dividend or derivative or other similar rights).

6.6. *Performance Stock Units*. Performance Stock Units are solely a device for the measurement and determination of the amounts to be paid to a Participant under the Plan. Performance Stock Units do not constitute Shares and shall not be treated as (or as giving rise to) property or as a trust fund of any kind. The right of any Participant in respect of an Award of Performance Stock Units shall be no greater than the right of any unsecured general creditor of the Company. The grant of Performance Stock Units shall be subject to the following terms and conditions:

(a) *Restriction Period*. Each Award Agreement with respect to Performance Stock Units shall specify the duration of the Performance Period and the Restriction Period, if any, and/or each installment thereof, the Performance Goals applicable to the Performance Stock Units and the conditions under which the Performance Stock Units may

be forfeited to the Company. Such restrictions may include a vesting schedule based on the attainment of Performance Goals measured on a milestone basis or in respect of the Performance Period.

(b) *Termination of Employment or Other* Service. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Award of Performance Stock Units credited to such Participant shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels), the applicable Restriction Period shall expire and each such Award of Performance Stock Units shall be settled in accordance with Section 6.6(c) and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Award of Performance Stock Units credited to such Participant shall be forfeited with no compensation due the Participant.

(c) *Settlement*. Unless otherwise provided in an Award Agreement, subject to the Participant's continued employment or other service with the Company or a Subsidiary from the Grant Date through the expiration of the Restriction Period (or applicable portion thereof), the vested portion of an Award of Performance Stock Units shall be settled within 30 days after the expiration of the Restriction Period (or applicable portion thereof).

(d) *Stockholder Rights*. Nothing contained in the Plan shall be construed to give any Participant rights as a stockholder with respect to an Award of Performance Stock Units (including, without limitation, any voting, dividend or derivative or other similar rights).

6.7. *Other Stock-Based Awards*. The Committee is authorized, subject to limitations under applicable law, to grant to Participants any type of award (in addition to those Awards provided in Section 6.1, 6.2, 6.3, 6.4, 6.5 or 6.6 hereof) that is payable in, or valued in whole or in part by reference to, Shares, and that is deemed by the Committee to be consistent with the purposes of the Plan. Such Awards may include deferred Shares or Share purchase Awards, as well as the outright grant of Shares that are not subject to any restrictions as to vesting or other forfeiture conditions, and shall be subject to such additional terms as the Committee determines in its sole discretion, consistent with provisions of the Plan.

(a) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Other

Stock-Based Award held by such Participant shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels) and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Other Stock-Based Award shall be forfeited with no further compensation due the Participant.

6.8. *Cash-Based Awards*. The Committee is hereby authorized to grant Cash-Based Awards denominated in cash in such amounts and subject to such terms and conditions as the Committee may determine. Each such Cash-Based Award shall specify a payment amount or payment range as determined by the Committee. Cash-Based Awards may be based on the attainment of Performance Goals and designed to constitute Qualified Performance-Based Awards. The maximum amount payable pursuant to Cash-Based Awards granted to a Participant during any one calendar year shall not exceed $10,000,000.

(a) *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, (i) upon a Participant's termination of employment or other service with the Company and its Subsidiaries (A) at any time, due to the Participant's death or Disability or (B) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the unvested portion of each Cash-Based Award held by such Participant shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels) and become payable and (ii) upon a Participant's termination of employment or other service with the Company and its Subsidiaries for any other reason, the unvested portion of each Cash-Based Award held by such Participant shall be forfeited with no further compensation due the Participant.

Section 7. Code Section 162(m).

7.1. *General Requirements*. If at any time the Company is subject to Code Section 162(m), the Committee may grant Awards that satisfy the following requirements for the exception to Code Section 162(m) for qualified performance-based compensation ("*Qualified Performance-Based Awards*"):

(a) *Eligibility*. Only Participants who are "Covered Employees" within the meaning of Section 162(m) of the Code shall be eligible to receive Qualified Performance-Based Awards. The Committee shall designate in its sole discretion which Covered Employees shall be Participants for a Performance Period within the earlier of the (i) first 90 days of the Performance Period and (ii) the lapse of 25% of the Performance Period.

(b) *Performance Goals*. The Committee shall establish in writing within the earlier of the (i) first 90 days of a Performance Period and (ii) the lapse of 25% of the Performance Period, and in any event, while the outcome is substantially uncertain, (x) Performance Goals for the Performance Period, and (y) in respect of such Performance Goals, a minimum acceptable level of achievement below which no Award shall be made, and an objective formula or other method for determining the Award to be made if

performance is at or above such minimum acceptable level but falls short of the maximum achievement of the specified Performance Goals.

(c) *Certification*. Following the completion of a Performance Period, the Committee shall review and certify in writing whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so, calculate and certify in writing the amount of the Qualified Performance-Based Awards earned for the period based upon the Performance Goals and the related formulas or methods as determined pursuant to Section 7.1(b). The Committee shall then determine the actual number of Shares issuable under each Participant's Award for the Performance Period, and, in doing so, may reduce or eliminate the amount of the Award, as permitted in the Award Agreement. In no event shall the Committee have the authority to increase Award amounts to any Covered Employee.

(d) *Termination of Employment.* Notwithstanding anything herein to the contrary, the Committee shall not permit the payment or other settlement of a Qualified Performance-Based Award following a Participant's termination of employment with the Company and its Subsidiaries for any reason other than the Participant's death or Disability or following a Change in Control unless such Qualified Performance-Based Award would have been paid or settled based on the actual outcome of the applicable Performance Goals during the applicable Performance Period absent such termination of employment. Notwithstanding anything herein to the contrary, unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, or as otherwise may be determined by the Committee, upon a Participant's termination of employment with the Company and its Subsidiaries (i) at any time, due to the Participant's death or Disability or (ii) within 24 months following a Change in Control, by the Company or a Subsidiary without Cause or by the Participant for Good Reason, the Participant's Qualified Performance-Based Awards shall be paid or settled in full based on the assumption that the applicable Performance Goals have been achieved at target or, if greater, actual levels. Upon a Participant's termination of employment with the Company and its Subsidiaries for Cause, 100% of a Participant's Qualified Performance-Based Awards shall be forfeited with no compensation due therefor.

7.2. Notwithstanding anything in Section 5.1 to the contrary, the maximum number of Shares underlying Qualified Performance-Based Awards that may be granted to a Participant in any one Performance Period is 100,000 and the maximum number of shares that may be granted to a Participant pursuant to Options and SARs is 100,000, in each case, subject to adjustment as provided in Section 9. The maximum amount payable to a Participant pursuant to Cash-Based Awards that are intended to constitute Qualified Performance-Based Awards during any one calendar year shall not exceed $10,000,000. For purposes of the foregoing limitations, Converted Awards shall be treated as if they were granted in the year, and with respect to the performance period, in which the award granted under the Pre-Merger Plan from which they were converted was granted.

7.3. The Committee may, without the consent of a Participant, make any amendment, alteration or other modification to the Plan as would have a material adverse affect on the rights

of such Participant if such modification is necessary to ensure a deduction under Code Section 162(m).

7.4. The Committee is authorized, in its sole discretion, to adjust or modify a Performance Goal for a Performance Period, including, without limitation, the applicable minimum, target and maximum levels of achievement, in connection with any one or more of the following events: (a) asset write-downs; (b) significant litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting standards or principles, or other laws or regulatory rules affecting reporting results; (d) any reorganization and restructuring programs or change in the corporate structure or capital structure of the Company; (e) extraordinary nonrecurring items as described in Accounting Principles Board Opinion No. 30 (or any successor pronouncement thereto) and/or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to stockholders for the applicable year or period; (f) acquisitions or divestitures; (g) any other specific unusual or nonrecurring events or objectively determinable category thereof; (h) foreign exchange gains and losses; and (i) a change in the Company's fiscal year. Except as otherwise provided above in this Section 7.4, the Committee may not (i) adjust or otherwise amend any Performance Goal if such adjustment or amendment would adversely affect the status of an Award as a Qualified Performance-Based Award; or (ii) change any material term of a Performance Goal without stockholder approval as required by Section 162(m) and the regulations thereunder.

7.5. Other than certain of the Converted Awards, no Awards granted on or after the Effective Date are intended to be Qualified Performance-Based Awards or shall be subject to this Section 7.

Section 8. *Change in Control.* Unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, a Change in Control shall not, in and of itself, accelerate the vesting, settlement or exercisability of outstanding Awards. Notwithstanding the foregoing and unless otherwise provided in an Award Agreement or an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, if (i) the successor corporation (or its parent) does not agree to assume an outstanding Award or does not agree to substitute or replace such Award with an award involving the ordinary shares of such successor corporation (or its parent) on terms and conditions necessary to preserve the rights of the applicable Participant with respect to such Award, (ii) the securities of the Company or the successor corporation will not be publicly traded on a U.S. securities exchange or (iii) the Change in Control is not approved by a majority of the Incumbent Directors immediately prior to such Change in Control, the Committee, in its sole discretion, may take one or more of the following actions with respect to all, some or any such Awards: (a) accelerate the vesting, settlement and, if applicable, exercisability of such Awards such that the Awards are fully vested, settled and, if applicable, exercisable (effective immediately prior to such Change in Control); *provided* that Awards subject to performance-based vesting conditions shall be paid or settled in full based on the actual level of achievement of the applicable Performance Goals through the date of the Change in Control or, if doing so would result in the Participant's receipt of a larger payment or settlement amount, using the applicable target (or, in the case of a Change in Control described in clause (ii), maximum) level of achievement through the date of such Change in Control rather than such actual level of achievement; (b) cancel outstanding Options or SARs in exchange for a cash payment in an amount equal to the excess, if

any, of the Fair Market Value of the Shares underlying the unexercised portion of the Option or SAR as of the date of the Change in Control over the exercise price or grant price, as the case may be, of such portion, provided that any Option or SAR with an exercise price or grant price, as the case may be, that equals or exceeds the Fair Market Value of the Shares on the date of the Change in Control shall be cancelled with no payment due the Participant; or (c) take such other actions as the Committee deems appropriate to preserve the rights of Participants with respect to their Awards. The judgment of the Committee with respect to any matter referred to in this Section shall be conclusive and binding upon each Participant without the need for any amendment to the Plan. Notwithstanding the foregoing, no Award that constitutes "non-qualified deferred compensation" (within the meaning of Section 409A of the Code) shall be payable upon the occurrence of a Change in Control unless such Change in Control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5). In addition to the actions described above, and without the consent of any Participant, effective upon the occurrence of a Change in Control, the Committee may, in its sole discretion, terminate all Awards granted under the Plan that are treated as "non-qualified deferred compensation" under Section 409A of the Code and settle such shares for a cash payment equal to the Fair Market Value of such Shares or any benchmark, if any, provided that (1) such Change in Control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5) and (2) all other arrangements that would be aggregated with such Awards under Section 409A of the Code are terminated and liquidated within 30 days before or 12 months after such Change in Control.

Section 9. *Adjustments upon Changes in Capitalization*.

9.1. In the event that the Committee shall determine that any stock dividend, recapitalization, forward split or reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase or share exchange, extraordinary or unusual cash distribution or other similar corporate transaction or event, affects the Shares such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, then the Committee shall proportionately and equitably adjust any or all of (i) the number and kind of Shares which may thereafter be issued in connection with Awards, (ii) the number and kind of Shares issuable in respect of outstanding Awards, (iii) the aggregate number and kind of Shares available under the Plan, (iv) the limits described in Section 5 of the Plan and (v) the exercise price or grant price relating to any Award or, if deemed appropriate, make provision for a cash payment with respect to any outstanding Award; *provided*, *however*, in each case, that each adjustment shall be made in a manner consistent with Section 7.

9.2. In addition, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, events described in Section 9.1) affecting the Company or any Subsidiary, or in response to changes in applicable laws, regulations, or accounting principles. Notwithstanding the foregoing, all adjustments shall be made in a manner consistent with Section 7 and no adjustment shall be made in a manner that would adversely affect the status of an Award as a Qualified Performance-Based Award.

Section 10. *Termination and Amendment*.

10.1. *Changes to the Plan and Awards.* The Board may amend, alter, suspend, discontinue, or terminate the Plan without the consent of the Company's stockholders or Participants, except that any such amendment, alteration, suspension, discontinuation, or termination shall be subject to the approval of the Company's stockholders if (i) such action would increase the number of Shares subject to the Plan, (ii) such action results in the repricing, replacement or cash buyout/repurchase of any Option, SAR or other Award, or (iii) such stockholder approval is required by any applicable law or regulation or the rules of any stock exchange on which the Shares may then be listed, and the Board may otherwise, in its discretion, determine to submit such other changes to the Plan to the Company's stockholders for approval; *provided*, *however*, that without the consent of an affected Participant, no amendment, alteration, suspension, discontinuation, or termination of the Plan may materially and adversely affect the rights of such Participant under any outstanding Award, except insofar as any such action is necessary to ensure the Plan's compliance with applicable law or regulation or the listing requirements of an applicable securities exchange, including, without limitation, Code Sections 162(m) or 409A.

10.2. The Committee may waive any conditions or rights under, or amend, alter, suspend, discontinue, or terminate, any Award theretofore granted and any Award Agreement relating thereto; *provided*, *however*, that without the consent of an affected Participant, no such amendment, alteration, suspension, discontinuation, or termination of any Award may materially and adversely affect the rights of such Participant under such Award, except insofar as any such action is necessary to ensure the Plan's compliance with applicable law or regulation or the listing requirements of an applicable securities exchange, including, without limitation, Code Sections 162(m) or 409A.

Section 11. *No Right to Award, Employment or Service.* No Employee, Consultant or Non-Employee Director shall have any claim to be granted any Award under the Plan, and there is no obligation that the terms of Awards be uniform or consistent among Participants. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of the Company or any Subsidiary. For purposes of this Plan, a transfer of employment or service between the Company and its Subsidiaries shall not be deemed a termination of employment or service; *provided*, *however*, that individuals employed by, or otherwise providing services to, an entity that ceases to be a Subsidiary shall be deemed to have incurred a termination of employment or service, as the case may be, as of the date such entity ceases to be a Subsidiary unless such individual becomes an employee of, or service provider to, the Company or another Subsidiary as of the date of such cessation.

Section 12. *Taxes.* Each Participant must make appropriate arrangement for the payment of any taxes relating to an Award granted hereunder. The Company or any Subsidiary is authorized to withhold from any payment relating to an Award under the Plan, including from a distribution of Shares or any payroll or other payment to a Participant, amounts of withholding and other taxes due in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award. This authority shall include the ability to withhold or receive Shares or other property and to make cash payments in respect thereof in satisfaction of a Participant's tax obligations and to require the Participant to enter into elections in respect of taxes. Withholding of taxes in the form of Shares with respect to

an Award shall not occur at a rate that exceeds the minimum required statutory federal and state withholding rates. Participants who are subject to the reporting requirements of Section 16 of the Exchange Act shall have the right to pay all or a portion of any withholding or other taxes due in connection with an Award by directing the Company to withhold Shares that would otherwise be received in connection with such Award up to the minimum required withholding amount.

Section 13. *Limits on Transferability; Beneficiaries.* No Award or other right or interest of a Participant under the Plan shall be pledged, encumbered, or hypothecated to, or in favor of, or subject to any lien, obligation, or liability of such Participant to, any party, other than the Company or any Subsidiary, or assigned or transferred by such Participant otherwise than by will or the laws of descent and distribution, and such Awards and rights shall be exercisable during the lifetime of the Participant only by the Participant or his or her guardian or legal representative. Notwithstanding the foregoing, except as provided in Section 6.1(f)(v), the Committee may, in its discretion, provide that Awards or other rights or interests of a Participant granted pursuant to the Plan be transferable, without consideration, to immediate family members (i.e., children, grandchildren or spouse), to trusts for the benefit of such immediate family members and to partnerships in which such family members are the only partners. The Committee may attach to such transferability feature such terms and conditions as it deems advisable. In addition, a Participant may, in the manner established by the Committee, designate a beneficiary (which may be a natural person or a trust) to exercise the rights of the Participant, and to receive any distribution, with respect to any Award upon the death of the Participant. A beneficiary, guardian, legal representative or other Person claiming any rights under the Plan from or through any Participant shall be subject to all terms and conditions of the Plan and any Award Agreement applicable to such Participant, except as otherwise determined by the Committee, and to any additional restrictions deemed necessary or appropriate by the Committee.

Section 14. *Securities Law Requirements*.

14.1. No Shares may be issued hereunder if the Company shall at any time determine that to do so would (i) violate the listing requirements of an applicable securities exchange, or adversely affect the registration or qualification of the Company's Shares under any state or federal law or regulation, or (ii) require the consent or approval of any regulatory body or the satisfaction of withholding tax or other withholding liabilities. In any of the events referred to in clause (i) or clause (ii) above, the issuance of such Shares shall be suspended and shall not be effective unless and until such withholding, listing, registration, qualifications or approval shall have been effected or obtained free of any conditions not acceptable to the Company in its sole discretion, notwithstanding any termination of any Award or any portion of any Award during the period when issuance has been suspended.

14.2. The Committee may require, as a condition to the issuance of Shares hereunder, representations, warranties and agreements to the effect that such Shares are being purchased or acquired by the Participant for investment only and without any present intention to sell or otherwise distribute such Shares and that the Participant will not dispose of such Shares in transactions which, in the opinion of counsel to the Company, would violate the registration provisions of the Securities Act and the rules and regulations thereunder.

Section 15. *Code Section 409A.* The Plan and all Awards are intended to comply with, or be exempt from, Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and all provisions of the Plan, including, without limitation, Sections 6, 8 and 9, and any Award Agreement shall be applied and interpreted in a manner consistent therewith. Notwithstanding anything contained herein to the contrary, in the event any Award is subject to Code Section 409A, the Committee may, in its sole discretion and without a Participant's prior consent, amend the Plan and/or Awards, adopt policies and procedures, or take any other actions as deemed appropriate by the Committee to (i) exempt the Plan and/or any Award from the application of Code Section 409A, (ii) preserve the intended tax treatment of any such Award or (iii) comply with the requirements of Code Section 409A. In the event that a Participant is a "specified employee" within the meaning of Code Section 409A, and a payment or benefit provided for under the Plan would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after such Participant's separation from service (within the meaning of Code Section 409A), then such payment or benefit shall not be paid (or commence) during the six (6) month period immediately following such Participant's separation from service except as provided in the immediately following sentence. In such an event, any payments or benefits that would otherwise have been made or provided during such six (6) month period and which would have incurred such additional tax under Code Section 409A shall instead be paid to the Participant in a lump-sum payment, without interest, on the earlier of (i) the first business day of the seventh month following such Participant's separation from service or (ii) the tenth business day following such Participant's death. Notwithstanding the foregoing, none of the Company, its Affiliates or their respective directors, officers, employees or advisors will be held liable for any taxes, interest or other amounts owed by any Participant as a result of the application of Code Section 409A.

Section 16. *Recoupment.* Any Award granted pursuant to the Plan shall be subject to mandatory repayment by the Participant to the Company pursuant to the terms of any Company "clawback" or recoupment policy.

Section 17. *Foreign Participants.* In order to facilitate the making of any grant or combination of grants under this Plan, the Committee may provide for such special terms for Awards to Participants who are foreign nationals, or who are employed by or perform services for the Company or any Subsidiary outside of the United States of America, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of, this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose, provided that no such supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of this Plan, as then in effect, unless this Plan could have been amended to eliminate such inconsistency without further approval by the stockholders of the Company.

Section 18. *Termination.* Unless earlier terminated, the Plan shall terminate on April 7, 2025, and no Awards under the Plan shall thereafter be granted; *provided* that no such termination shall impact Awards that were granted prior to such termination.

Section 19. *Fractional Shares.* The Company will not be required to issue any fractional Shares pursuant to the Plan. The Committee may provide for the elimination of fractions and settlement of such fractional Shares in cash.

Section 20. *Non-Exclusivity of Plan.* Nothing in the Plan shall be construed in any way as limiting the authority of the Committee, the Board, the Company or any Subsidiary or Affiliate to establish any other cash or equity annual or incentive compensation plan or as limiting the authority of any of the foregoing to issue Shares or pay cash bonuses or other supplemental or additional cash or equity incentive compensation to any service provider to the Company, its Subsidiaries or Affiliates, whether or not such person is a Participant in this Plan and regardless of how the number of Shares or the amount of such bonuses or other cash or equity compensation is determined.

Section 21. *Discretion.* In exercising, or declining to exercise, any grant of authority or discretion hereunder, the Committee may consider or ignore such factors or circumstances and may accord such weight to such factors and circumstances as the Committee alone and in its sole judgment deems appropriate and without regard to the effect such exercise, or declining to exercise such grant of authority or discretion, would have upon the affected Participant, any other Participant, any Employee, Consultant or Non-Employee Director, the Company, any Subsidiary, any Affiliate of the Company, any stockholder or any other Person.

Section 22. *Governing Law.* To the extent that Federal laws do not otherwise control, the validity and construction of the Plan and any Award Agreement entered into thereunder shall be construed and enforced in accordance with the laws of the State of Delaware, but without giving effect to the choice of law principles thereof.

Section 23. *Effective Date.* The Plan shall become effective upon the Effective Date.

* * * * *

Exhibit 10.13

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (this "***Employment Agreement***") is made and entered into effective as of the 22nd day of December, 2020 (the "***Effective Date***"), by and between US ECOLOGY, INC., a Delaware corporation (the "***Company***"), and JEFFREY R. FEELER ("***Executive***"). The Company and Executive are sometimes collectively referred to herein as the "***Parties***," and individually, as a "***Party***."

WHEREAS, immediately prior to the Effective Date, Executive rendered valuable services to the Company in the capacity of President and Chief Executive Officer, pursuant to an Executive Employment Agreement, dated February 25, 2016 (the "***Prior Agreement***"); and

WHEREAS, the Parties desire to amend and restate the Prior Agreement in its entirety as set forth herein and to continue Executive's employment with the Company as its President and Chief Executive Officer on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1.0. Employment.

Section 1.01. *Employment*. The Company hereby employs Executive, and Executive hereby accepts employment with the Company, all upon the terms and subject to the conditions set forth in this Employment Agreement, effective as of the Effective Date first set forth above.

Section 1.02. *Term of Employment*. The term of employment of Executive by the Company pursuant to this Employment Agreement shall be for the period commencing on the Effective Date and ending December 31, 2023 (the "***Employment Term***"), or such earlier date that Executive's employment is terminated in accordance with the provisions of this Employment Agreement; provided, however, that the Employment Term shall automatically renew for additional one year periods if neither the Company nor Executive has notified the other in writing of its or his intention not to renew this Employment Agreement on or before 60 days prior to the expiration of the Employment Term (including any renewal(s) thereof).

Section 1.03. *Capacity and Duties*. During the Employment Term, Executive is and shall be employed in the capacity of President and Chief Executive Officer of the Company and its subsidiaries as the senior executive with overall responsibility for Company performance, and shall have such other duties, responsibilities and authorities as may be assigned to him from time to time by the Board of Directors of the Company (the "***Board***"), which are not materially inconsistent with Executive's positions with the Company. Except as otherwise herein provided, Executive shall devote his entire business time, best efforts and attention to promote and advance the business of the Company and its subsidiaries and to perform diligently and faithfully all the duties, responsibilities and obligations of Executive to be performed by him under this Employment Agreement. Upon termination of Executive's employment for any reason, unless

otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further action by Executive, as of the end of Executive's employment, and Executive, at the Board's request, will execute any documents necessary to reflect his resignation.

Section 1.04. *Place of Employment*. Executive's principal place of work shall be the main corporate office of the Company, currently located in Boise, Idaho; provided, however, that the location of the Company and any of its offices may be moved from time to time in the discretion of the Board.

Section 1.05. *No Other Employment*. During the Employment Term, Executive shall not be employed in any other business activity, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided, however, that this restriction shall not be construed as preventing Executive from (i) participating in charitable, civic, educational, professional, community or industry affairs; (ii) sitting on one outside board of directors for a public or private company that does not compete with the Company, with the prior concurrence of the Board that the required time commitment with respect to such position is acceptable; and (iii) investing his personal assets in a business which does not compete with the Company or its subsidiaries or with any other company or entity affiliated with the Company, where the form or manner of such investment will not require services on the part of Executive in the operation of the affairs of the business in which such investment is made and in which his participation is solely that of a passive investor or advisor, so long as the activities in clauses (i), (ii) and (iii), above, do not materially interfere with the performance of Executive's duties hereunder or create a potential business conflict or the appearance thereof.

Section 1.06. *Adherence to Standards*. Executive shall comply with the written policies, standards, rules and regulations of the Company from time to time established for all executive officers of the Company consistent with Executive's position and level of authority, including, without limitation, policies relating to stock ownership guidelines, clawback of compensation, hedging and pledging of securities and insider trading.

Section 1.07. *Review of Performance*. The Board or designated committee of the Board shall periodically review and evaluate with Executive his performance under this Employment Agreement.

2.0. Compensation.

During the Employment Term, subject to all the terms and conditions of this Employment Agreement and as compensation for all services to be rendered by Executive hereunder, the Company shall pay to or provide Executive with the following:

Section 2.01. *Base Salary*. During the Employment Term, the Company shall pay to Executive an annual base salary ("***Base Salary***") in an amount not less than Six Hundred Twenty-Five Thousand and No/100 Dollars ($625,000.00). Such Base Salary shall be payable in accordance with the regular payroll practices and procedures of the Company.

Section 2.02. *Incentive Pay*. During the Employment Term, Executive shall be eligible to participate in any cash incentive or bonus plans of the Company which are in effect

for executives from time to time, including the annual cash incentive payment opportunity granted to Executive under the Company's Management Incentive Plan ("***MIP***," and together with any other cash incentive or bonus plans of the Company in which Executive participates, the "***Cash Incentive Plans***"), subject to the terms and conditions thereof, at a minimum 100% of Base Salary ("***Target Bonus***") at a 100% of MIP target basis, with such MIP target to be set annually by the Board. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate any or all of its Cash Incentive Plans at any time. In the event of any inconsistency between the terms of this Employment Agreement and the terms of any Cash Incentive Plan, the Cash Incentive Plan shall govern and control; provided, however, that any amount owed to Executive under a Cash Incentive Plan in accordance with the terms thereof shall be paid to Executive no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 2.03. *Paid Time Off and Other Benefits*. During the Employment Term, Executive shall be entitled to Paid Time Off ("***PTO***") consistent with the Company's policy for senior executives (as in effect from time to time), and shall have the right, on the same basis as other members of senior management of the Company, to participate in any and all employee benefit plans and programs of the Company, including medical plans and other benefit plans and programs as shall be, from time to time, in effect for executive employees and senior management personnel of the Company. Such participation shall be subject to the terms of the applicable plan documents, generally applicable Company policies and the discretion of the Board or any administrative or other committee provided for in, or contemplated by, each such plan or program. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate such benefit plans and programs at any time, including, without limitation, any modification of the Company's PTO policy.

Section 2.04. *Expenses*. The Company shall reimburse Executive for all reasonable, ordinary and necessary business expenses including, but not limited to, automobile and other business travel and customer and business entertainment expenses incurred by him during the Employment Term in connection with his employment in accordance with the Company's expense reimbursement policy; provided, however, Executive shall render to the Company a complete and accurate accounting of all such business expenses in accordance with the substantiation requirements of the Internal Revenue Code of 1986, as amended (the "***Code***"). Executive's right to reimbursement hereunder may not be liquidated or exchanged for any other benefit, the amount of expenses eligible for reimbursement hereunder in a calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year, and Executive shall be reimbursed for eligible expenses no later than the close of the calendar year immediately following the calendar year in which Executive incurs the applicable expense.

3.0. Termination of Employment.

Section 3.01. *Termination of Employment*. Executive's employment and the Employment Term may be terminated prior to expiration of the Employment Term as follows (with the date of termination being referred to hereinafter as the "***Termination Date***"):

(a) By either Party by delivering 60 days' prior written notice of non-renewal as set forth in Section 1.02 above;

(b) Upon no less than 30 days' written notice from the Company to Executive at any time without Cause (as hereinafter defined) and other than due to Executive's death or Disability, subject to the provisions of Section 4.02 below;

(c) By the Company for Cause (as hereinafter defined) immediately upon written notice stating the basis for such termination;

(d) Immediately upon the death of Executive;

(e) Due to the Disability (as hereinafter defined) of Executive;

(f) By Executive due to Retirement (as hereinafter defined) upon 90 days' prior written notice to the Company stating that Executive does not intend to engage in full-time employment following such termination of employment;

(g) By Executive at any time with or without Good Reason (as hereinafter defined), other than due to Retirement, upon 30 days' written notice from Executive to the Company (or such shorter period to which the Company may agree); or

(h) Upon the mutual agreement of the Company and Executive.

Section 3.02. *Certain Definitions*. For purposes of this Employment Agreement, the following terms have the meanings set forth below:

(a) "***Cause***" shall mean, by reason of a determination by two-thirds (2/3) of the members of the Board (excluding, for all such purposes, Executive, if Executive is a member of the Board) voting, that Executive:

(i) Has engaged in willful neglect (other than neglect resulting from his incapacity due to physical or mental illness) of Executive's duties or willful misconduct in the performance of his duties for the Company under this Employment Agreement, or has willfully violated any material written policy of the Company;

(ii) Has engaged in willful or grossly negligent conduct the consequences of which are materially adverse to the Company, monetarily or otherwise;

(iii) Has materially breached the terms of this Employment Agreement, and such breach persisted after notice thereof from the Company and a reasonable opportunity to cure; or

(iv) Has been convicted of (or has plead guilty or no contest to) any felony (other than a traffic violation) or any misdemeanor involving moral turpitude.

(b) "***Disability***" shall mean that, as a result of Executive's incapacity due to physical or mental illness, Executive is considered disabled under the Company's Long-Term

Disability Plan or, in the absence of such plan, Executive is unable (without reasonable accommodation), as determined by the Board in good faith, to perform Executive's essential duties, responsibilities and functions under this Employment Agreement for a period of 180 days during any 12 consecutive months.

(c) "***Good Reason***" shall mean the occurrence of any of the following without Executive's prior written consent during the Employment Term:

(i) Any material diminution or adverse change in Executive's title, authority, responsibilities or duties under this Employment Agreement which are materially inconsistent with his title, authority, responsibilities or duties set forth in this Employment Agreement, or any removal of Executive from, or failure to appoint, elect, reappoint or reelect Executive to, any of his positions, except in connection with the termination of his employment with or without Cause, or as a result of his death or Disability;

(ii) The exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to the failure to continue such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such termination is required by law, or applies to all of the Company's executive officers and/or employees generally.

(iii) The failure by the Company to include or continue Executive's participation in any material employee benefit plan (including any medical, hospitalization, life insurance or disability benefit plan in which Executive participates or in which other Company executives participate), or any material fringe benefit or prerequisite enjoyed by him unless an equitable arrangement (embodied in an ongoing substitute or alternative plan, if applicable) has been made with respect to the failure to include Executive in such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder, or the failure by the Company to provide him with the benefits to which he is entitled under this Employment Agreement; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any employee benefit plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such exclusion is required by law, or applies to all of the Company's executive officers and/or employees generally;

(iv) Any material breach by the Company of any provision of this Employment Agreement; or

(v) The relocation of the main corporate office of the Company beyond a 50 mile radius from Boise, Idaho or beyond a fifty (50) mile radius from Executive's primary place of employment if not in the corporate office, in each case which materially increases Executive's commute.

Notwithstanding any other provision of this Employment Agreement to the contrary, Executive shall be deemed not to have terminated his employment for Good Reason unless (i) Executive notifies the Board in writing of the condition that Executive believes constitutes Good Reason within 90 days after the initial existence thereof (which notice specifically identifies such condition and the details regarding its existence), (ii) the Company fails to remedy such condition within 30 days after the date on which the Board receives such notice (the "***Remedial Period***"), and (iii) Executive terminates employment with the Company (and its subsidiaries and affiliates) within 60 days after the end of the Remedial Period. The failure by Executive to include in the notice any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder.

(d) "***Retirement***" shall mean Executive's termination of employment with the Company and its subsidiaries for any reason (other than for Cause, or when grounds for Cause exist, or due to Executive's death) after attaining age [52] and having been employed by the Company or its subsidiaries for not less than 10 consecutive years as of immediately prior to such termination of employment.

4.0. Payments and Benefits Upon Termination of Employment.

Section 4.01. *Termination by the Company For Cause or by Executive Without Good Reason.* If Executive's employment and the Employment Term are terminated by the Company for Cause or by Executive without Good Reason (but not due to Retirement), the Company shall pay Executive the Accrued Obligations (as hereinafter defined) (other than, however, any amounts due under any Cash Incentive Plan which shall be forfeited pursuant to the terms of such plan), in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law).

Section 4.02. *Termination by the Company Without Cause or by Executive For Good Reason*. Subject to Section 5.0 below, if Executive's employment and the Employment Term are terminated by the Company without Cause or if Executive terminates his employment and the Employment Term for Good Reason, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition,

subject to Sections 5.0, 6.0 and 7.0, in the event of such a termination, Executive shall be entitled to receive the following:

(i) an amount equal to the sum of two year's Base Salary and two times Target Bonus ("***Severance Payment***"), which shall be payable during the two year period immediately following the Termination Date as provided below;

(ii) continued vesting of outstanding stock options and stock appreciation rights for a period of two years following the Termination Date, with any stock option and stock appreciation right held by Executive immediately prior to such termination that is, or becomes, vested to remain exercisable until the earlier of the second anniversary of the Termination Date and the original expiration date of such stock option or stock appreciation right (as applicable);

(iii) immediate vesting of any restricted stock grants that would have vested during the two-year period immediately following the Termination Date;

(iv) continued vesting of restricted stock unit grants for a period of two years following the Termination Date in the same manner as if no such termination had occurred;

(v) continued vesting of performance stock and performance stock units in the same manner as if no termination of employment had occurred, with payment calculated based on actual performance but with vesting to be pro-rated based on the number of days from the start of the performance period through the second anniversary of the Termination Date in relation to the total number of days in the performance period (provided that such pro-ration shall not result in a pro-ration factor greater than 1);

(vi) reimbursement of Executive's and his eligible dependents' insurance premiums pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") under the Company's medical, dental and vision plans if Executive and Executive's eligible dependents are eligible for, and timely elect, COBRA continuation coverage, with such reimbursements to be provided for a period of the lesser of 18 months immediately following the Termination Date or the date Executive or such dependent receives similar or comparable coverage from a new employer, a spouse or the employer of a spouse; provided, however, that the Company may unilaterally amend this clause (v) or eliminate the benefit provided hereunder to the extent it deems necessary to avoid the imposition of excise taxes, penalties or similar charges on the Company or any of its subsidiaries or affiliates, including, without limitation, under Code Section 4980D, or to the extent that this provision violates applicable law or non-discrimination rules (Executive understands that such COBRA reimbursement may be treated as taxable, in which case, Executive shall be grossed-up for such taxes in accordance with Section 409A);

(vii) 6 monthly payments each in an amount equal to the greater of (x) two (2) times the monthly COBRA insurance premiums as of the Termination Date under the Company's medical, dental and vision plans and (y) $5,000, in either case as

compensation for Executive's loss of participation in certain of the Company's employee benefit plans, which shall commence on the first payroll date following the 18-month anniversary of the Termination Date; and

(viii) 24 monthly cash payments each in an amount equal to two (2) times the monthly premiums as of the Termination Date for the life insurance and long-term disability insurance coverage under the Company's life insurance and long-term disability plans covering Executive as of immediately prior to the Termination Date (the "***L&D Payments***"), which shall be payable during the two year period immediately following the Termination Date as provided below; and

(ix) up to 12 consecutive months of outplacement services not to exceed $100,000 in the aggregate (such benefits to end not later than the second anniversary of the Termination Date).

All payments and benefits under this Section 4.02 (other than the Accrued Obligations) shall be conditional on Executive's timely execution and non-revocation of the Release (as defined in Section 6.0) and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0. Payment of the Severance Payment and the L&D Payments shall be made in substantially equal installments in accordance with the regular payroll practices and procedures of the Company commencing on the first payroll date occurring after Executive's Release becomes effective (but not later than sixty (60) days after the Termination Date); provided, however, that the first such payment shall include any installments that would have been made on previous payroll dates but for the requirement that Executive execute a Release. For the avoidance of doubt, a termination of employment pursuant to Section 3.01(a) by notice of non-renewal by the Company for any reason other than Cause, shall be deemed a termination of employment by the Company without Cause for purposes of this Section 4.02 and Section 5, as applicable.

Section 4.03. *Termination Due to Death*. If Executive's employment and the Employment Term are terminated due to Executive's death, the Company shall pay the estate of Executive the Accrued Obligations in a single, lump-sum payment within 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock and performance stock units will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units and performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (iii) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date.

Section 4.04. *Termination Due to Disability*. If Executive's employment and the Employment Term are terminated due to his Disability, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such

termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, performance stock and performance stock units (but only performance stock units that are not subject to Section 409A (as hereinafter defined)) will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units will continue to vest for a period of two years following the Termination Date in the same manner as if no such termination had occurred (provided that if such termination occurs within 24 months after a Change of Control, any restricted stock units granted after the Effective Date will vest in full upon such termination and shall be settled within 30 days thereafter), (iii) any performance stock units that are subject to Section 409A will continue to vest in the same manner as if no such termination of employment had occurred, with performance deemed achieved at target (provided that if such termination occurs within 24 months after a Change of Control, any performance stock units that are subject to Section 409A granted after the Effective Date will vest in full upon such termination with performance being deemed achieved at target and shall be settled within 30 days thereafter), (iv) all performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (v) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date; provided, however, that such continued vesting and exercisability of any restricted stock, restricted stock units, stock options, stock appreciation rights, performance stock units and performance stock under this Section 4.04 shall be conditional on Executive's timely execution and non-revocation of the Release and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0 below.

Section 4.05. *Retirement*. If Executive's employment and the Employment Term are terminated by virtue of Executive's Retirement, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 4.06. *Definition of Accrued Obligations*. "***Accrued Obligations***" shall mean (i) any earned but unpaid Base Salary through the Termination Date and any PTO that is accrued but unused as of the Termination Date (with such accrual determined in accordance with the Company's PTO policy); (ii) any unreimbursed business expenses incurred through the Termination Date that are otherwise reimbursable in accordance with Company policy; (iii) all other payments, benefits or fringe benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Employment Agreement; and (iv) subject to forfeiture of any such payments under the terms of the applicable Cash Incentive Plan (x) to the extent unpaid, any cash incentive earned under any Cash Incentive Plan for the fiscal year prior to the year in which Executive's termination occurs and (y) any cash incentive earned under any Cash Incentive Plan in the year of Executive's termination of employment based on actual results over the entire performance

period and shall be paid on a pro-rata basis based on days employed during the fiscal year of such plan if any. With respect to clause (iv)(y) of this Section 4.06, for the sake of clarity and by way of example only, if Executive is employed for 270 days of a fiscal year and the management incentive plan in place at the time pays out 100% of target, Executive would be owed 74% (270/365) of any incentive payments to which he would have been entitled had his employment not been terminated. Such payments under clause (iv) hereof shall be made in accordance with the terms of any Cash Incentive Plan in effect at the time, except that any requirement that the recipient must be an employee at the time of payment shall be waived by the Company under this policy.

5.0. Payment and Benefits Upon Certain Terminations in Connection with a Change of Control.

Section 5.01. *Change of Control Severance Benefits*. Subject to Sections 6.0 and 7.0 below, if within 24 months after a Change of Control, Executive's employment and the Employment Term are terminated by the Company without Cause (but not due to death or Disability) or by Executive for Good Reason, then Executive shall receive:

(i) in lieu of the Severance Payment, a payment equal to three times the sum of (x) his annual Base Salary; and (y) the *greater of* (a) any earned but unpaid amount due under any Cash Incentive Plan (as determined by the terms of the Cash Incentive Plan); and (b) Executive's Target Bonus amount (collectively, the "***Change of Control Payment***");

(ii) the payments and benefits set forth in clauses (vi), (vii), (viii) and (ix) of Section 4.02 at the times provided therein, provided that for purposes of applying (x) clause (vii) of Section 4.02, the payments shall be for a period of 18 months as of the Termination Date, (y) clause (viii) of Section 4.02, the L&D Payments shall be for a period of 36 months as of the Termination Date and (z) clause (ix) of Section 4.02, the benefits shall end no later than the third anniversary of the Termination Date;

(iii) full vesting of all unvested stock options, stock appreciation rights, restricted stock, restricted stock units (but only to the extent such restricted stock units are granted after the Effective Date), performance stock units (but only to the extent such performance stock units (x) are not subject to Section 409A or (y) are subject to Section 409A but are granted after the Effective Date) and performance stock (with all stock options and stock appreciation rights to remain exercisable through their normal expiration date, with performance with respect to any performance-based awards to be deemed achieved at target and with all restricted stock units and performance stock units that become vested under this clause (iii) to be settled within 30 days after the Termination Date), provided, however, that if unvested stock options, stock appreciation rights, restricted stock, performance stock units (to the extent not subject to Section 409A) and performance stock held by Executive are not continued, substituted for or assumed by the successor company in connection with a Change of Control, such awards shall immediately vest upon the Change of Control;

(iv) with respect to any restricted stock units that are outstanding on the Effective Date, continued vesting of such restricted stock units in the same manner as if no such termination of employment had occurred; and

(v) with respect to any performance stock units that are subject to Section 409A that are outstanding on the Effective Date, continued vesting of such performance stock units in the same manner as if no such termination of employment had occurred (with payment based on target performance).

The Change of Control Payment shall be paid in a single lump-sum payment on the first payroll date after the effective date of the Release, but in any event within 60 days after the Termination Date.

In the event of a termination described in this Section 5.0, Executive also shall be entitled to receive the Accrued Obligations (to be provided in accordance with Section 4.02).

In the event of an inconsistency between this Section 5.0 and Section 4.02, this Section 5.0 shall govern and control.

Section 5.02. *Definition of Change of Control*. A "**Change of Control**" shall be deemed to have occurred upon:

(i) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "***Business Combination***"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 60% of the combined voting power of the then-outstanding securities of the entity resulting from such Business Combination; provided, however, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) The sale, transfer, or other disposition of all or substantially all of the Company's assets;

(iii) Any transaction as a result of which any person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "***1934 Act***")), directly or indirectly, of securities of the Company representing more than 30% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this subparagraph (iii), the term "person" shall have the same meaning as when used in sections 13 and 14(d) of the 1934 Act, but shall exclude (x) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a subsidiary; (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company; and (z) any person or entity owning more than 30% of the total voting power represented by the Company's then outstanding voting securities immediately prior to such transaction; or

(iv) A change in the composition of the Board in any 12-month period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***"

shall mean directors who either (a) are directors of the Company as of the start of the period or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing or anything contained herein to the contrary, no transaction or event shall be a Change of Control unless it also satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii).

6.0. Release.

Executive's entitlement to the payments and benefits described in Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, other than the Accrued Obligations, is subject to and conditioned upon Executive's timely execution, without subsequent revocation, of a release of claims in favor of the Company and its subsidiaries and affiliates in form and substance satisfactory to the Company (the "***Release***"); provided, however, that notwithstanding the foregoing, the Release is not intended to and will not waive Executive's rights: (i) to indemnification pursuant to any applicable provision of the Company's Bylaws or Certificate of Incorporation, as amended, pursuant to any written indemnification agreement between Executive and the Company, or pursuant to applicable law; (ii) to vested benefits or payments specifically to be provided to Executive under this Employment Agreement or any Company employee benefit plans or policies; or (iii) respecting any claims Executive may have solely by virtue of Executive's status as a stockholder of the Company. The Release also shall not impose any restrictive covenant on Executive's conduct post-termination that Executive had not agreed to prior to Executive's termination in this Agreement or otherwise or include claims that an employee cannot lawfully release through execution of a general release of claims.

To be timely, the Release must become effective (i.e., Executive must sign it and any revocation period must expire without Executive revoking the Release) within 60 days, or such shorter period specified in the Release, after Executive's date of termination of employment. If the Release does not become effective within such time period, then Executive shall not be entitled to such payments and benefits. The Company is obligated to provide Executive the Release within 7 calendar days after the Termination Date and Executive shall have a minimum of 21 calendar days to review and comment on the Release.

Notwithstanding anything contained in this Employment Agreement to the contrary, if payment or provision of any amounts under Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, on which Executive's execution and non-revocation of the Release is conditioned, could commence in more than one calendar year based on when the Release could be executed (regardless of when the Release is executed), then to the extent any such amounts are treated as nonqualified deferred compensation under Section 409A (as hereinafter defined) any such amounts that otherwise would have been paid or provided in such first calendar year instead shall be withheld and paid or provided on the first payroll date in such second calendar year with all remaining payments and benefits to be made as if no such delay had occurred.

7.0. Compliance With Section 409A.

Section 7.01. *General*. The provisions of this Employment Agreement are intended to comply with the requirements of Section 409A of the Code and any regulations and official guidance promulgated thereunder ("***Section 409A***") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be interpreted in accordance with Section 409A. Any payments that qualify for the "short-term deferral" exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Employment Agreement shall be treated as a separate payment of compensation for purposes of Section 409A and a right to a series of installment payments under this Employment Agreement (including pursuant to Section 4.02) shall be treated as a right to a series of separate and distinct payments. All payments to be made upon a termination of employment under this Employment Agreement that are treated as nonqualified deferred compensation under Section 409A may only be made upon a "separation from service" under Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Employment Agreement. For purposes of this Employment Agreement, a termination of Executive's employment as a result of Disability, by the Company without Cause or by Executive for Good Reason, in each case, is intended to constitute an "involuntary separation" within the meaning of, and for purposes of, Section 409A, and this Employment Agreement shall be interpreted accordingly.

Section 7.02. *In-Kind Benefits and Reimbursements*. Notwithstanding anything to the contrary in this Employment Agreement, all reimbursements and in-kind benefits provided hereunder shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified herein); (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to Executive as described in Treasury Regulation Section 1.409A-3(i)(1)(iv)(B); (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year immediately following the calendar year in which the expense is incurred, *provided* that reimbursement shall be made only if Executive has submitted an invoice for such expenses at least 10 days before the end of the calendar year immediately following the calendar year in which such expenses were incurred; and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Section 7.03. *Delay of Payments*. Notwithstanding any other provision of this Employment Agreement to the contrary, if Executive is considered a "specified employee" for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination of employment), any payment that constitutes nonqualified deferred compensation within the meaning of Section 409A that is otherwise due to Executive hereunder during the six-month period immediately following Executive's separation from service (as determined in accordance with Section 409A) on account of Executive's separation from service shall be accumulated and paid to Executive on the first business day after

the date that is six months immediately following Executive's separation from service (the "***Delayed Payment Date***"). Executive shall be entitled to interest (at a per annum rate equal to the highest rate of interest applicable to six-month non-callable certificates of deposit with daily compounding offered by the following institutions: Citibank, N.A., Wells Fargo Bank, N.A. or Bank of America, on the date of such separation from service) on any cash payments so delayed from the scheduled date of payment to the Delayed Payment Date. If Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of Executive's estate on the first to occur of the Delayed Payment Date or 30 days after the date of Executive's death.

Section 7.04. *Cooperation*. Executive and the Company agree to work together in good faith to consider amendments to this Employment Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

Section 7.05. *No Liability*. Notwithstanding anything contained in this Employment Agreement to the contrary, neither the Company nor any of its subsidiaries or affiliates shall have any liability or obligation to Executive or to any other person or entity in the event that this Employment Agreement, or any of the payments or benefits provided under this Employment Agreement, does not comply with, or is not exempt from, Section 409A.

8.0. Limitation on Payments.

Notwithstanding any other provision of this Employment Agreement or any other agreement or arrangement between Executive and the Company or any of its affiliates, in the event that the payments and other benefits provided for in this Employment Agreement, together with all other payments and benefits that Executive receives or is entitled to receive from the Company or any of its subsidiaries, (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8.0, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent as would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduction in payments and benefits constituting "parachute payments" is necessary so that payments and benefits are delivered to a lesser extent under Section 8.0(b) hereof, reduction shall occur in the following order: (i) reduction of cash severance payments (reduced from the latest scheduled payments to the earliest scheduled payments); (ii) cancellation of any equity awards that are included under Section 280G of the Code at full value rather than accelerated value (reduced from highest value to lowest value under Section 280G of the Code and, if such values are the same, from latest to earliest scheduled vesting dates); (iii) cancellation of the

accelerated vesting of any equity awards included under Section 280G of the Code at an accelerated value (and not at full value), which shall be reduced with the highest value reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) (and if such values are the same, from latest to earliest vesting dates); and (iv) reduction of any other non-cash benefits (including the value of the accelerated payment of any cash payments), reduced in the order of highest to lowest value under Code Section 280G (and if such values are the same, from latest to earliest payment dates); provided, in each case, that any such reduction shall be made in a manner consistent with the requirements of Section 409A. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8.0 will be made in writing by an independent, nationally recognized accounting firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8.0, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 8.0. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 8.0.

9.0. Return of Property.

Executive agrees, upon the termination of his employment with the Company or upon the earlier written request of the Company, to return to the Company all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including without limitation, computerized and/or electronic information that refers, relates or otherwise pertains to the Company and/or its subsidiaries, and any and all business dealings of said persons and entities. In addition, Executive shall return to the Company all property and equipment that Executive has been issued during the course of his employment or which he otherwise then possesses or has control over, including but not limited to, any computers, cellular phones, personal digital assistants, pagers and/or similar items. Executive shall immediately deliver to the Company any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files, materials, property and equipment that are in Executive's possession or control. Executive further agrees that he will immediately forward to the Company any business information regarding the Company and/or its subsidiaries that has been or is inadvertently directed to Executive following his last day of employment with the Company. The provisions of this Section 9.0 are in addition to any other written agreements on this subject that Executive may have with the Company and/or its subsidiaries, and are not meant to and do not excuse any additional obligations that Executive may have under such agreements.

10.0. Notices.

For the purposes of this Employment Agreement, notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by expedited (overnight) courier with established national reputation, shipping prepaid or billed to sender, in either case addressed to the respective addresses last given by each Party to the other

(provided that all notices to the Company shall be directed to the attention of the Board) or to such other address as either Party may have furnished to the other in writing in accordance herewith. All notices and communications shall be deemed to have been received on the date of delivery thereof, or on the second day after deposit thereof with an expedited courier service, except that notice of change of address shall be effective only upon receipt. Notices shall be addressed as follows:

If to the Company:
101 S. Capitol Blvd., Suite 1000
Boise, Idaho 83702

If to Executive:
As on file with the Company's Corporate Secretary

11.0. Life Insurance.

The Company may, at any time after the execution of this Employment Agreement, apply for and procure as owner and for its own benefit, life insurance on Executive, in such amounts and in such form or forms as the Company may determine. Executive shall, at the request of the Company, submit to such medical examinations, supply such information, and execute such documents as may be required by the insurance company or companies to whom the Company has applied for such insurance.

12.0. Confidentiality.

Executive agrees not to disclose or reveal to any person or entity outside the Company or any of its subsidiaries any confidential, trade secret, proprietary or other non-public information concerning the Company, any of its subsidiaries or any of the businesses or operations of the Company or any of its subsidiaries ("***Confidential Information***"), including all information relating to any Company or subsidiary product, process, equipment, machinery, design, formula, business plan or strategy, or other activity without prior permission of the Company in writing. Confidential Information shall not include any information which is in the public domain or becomes publicly known, in either case, through no wrongful act on the part of Executive or breach of this Employment Agreement. Executive acknowledges that the Confidential Information is vital, sensitive, confidential and proprietary to the Company or its subsidiaries. The obligation to protect the secrecy of such information continues after employment with Company or any of its subsidiaries may be terminated. In furtherance of this agreement, Executive acknowledges that all Confidential Information which Executive now possesses, or shall hereafter acquire, concerning and pertaining to the business and secrets of the Company or any of its subsidiaries and all inventions or discoveries made or developed, or suggested by or to Executive during said term of employment relating to the Company's or any of its subsidiaries' business shall, at all times and for all purposes, be regarded as acquired and held by Executive in his fiduciary capacity and solely for the benefit of the Company or any of its subsidiaries.

Pursuant to 18 U.S.C. § 1833(b), Executive understands that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to his attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if he files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, he may disclose the trade secret to his attorney and use the trade secret information in the court proceeding if he (I) files any document containing the trade secret under seal, and (II) does not disclose the trade secret, except pursuant to court order. Nothing in this Employment Agreement, or any other agreement that Executive has with the Company, is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Employment Agreement or any other agreement that Executive has with the Company or any of its affiliates shall prohibit or restrict him from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

13.0. Work Product Assignment.

Executive agrees that all inventions, innovations, discoveries, improvements, technical information, systems, software developments, methods, designs, analyses, data, drawings, reports, works of authorship, service marks, trademarks, trade names, logos and all similar or related information or developments (whether patentable or unpatentable) which relate to the actual or anticipated business, research and development or existing or future products or services of the Company or of any of its subsidiaries or affiliates, and which are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company, together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing and any other intellectual property right or other proprietary rights in any of the foregoing (collectively referred to herein as the "***Work Product***"), are in all instances the exclusive property of the Company, and Executive hereby irrevocably assigns to the Company all Work Product and all of his interest therein, including all rights to claim and recover damages and/or injunctive relief for past, present, and future infringement or violation of any Work Product. Executive agrees to promptly make full written disclosure to the Company of any and all Work Product. Executive will promptly perform all actions reasonably requested by the Board (whether during or after his employment with the Company) to establish and confirm the ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney and other instruments) by the Company or its subsidiaries or affiliates, as applicable, and to provide reasonable assistance to the Company or any of its subsidiaries and affiliates in connection with the prosecution of any applications for patents, trademarks, trade names, service marks or reissues thereof or other intellectual property rights, or in the prosecution, maintenance, enforcement and defense of any intellectual property rights or other proprietary rights in any Work Product. Without limiting the foregoing, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and on Executive's behalf to execute

and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by Executive.

14.0. Covenant Not to Compete, Not to Solicit and Not to Disparage.

Section 14.01. *Acknowledgment of Executive*. Executive acknowledges that his employment with the Company has special, unique and extraordinary value to the Company; that the Company has a lawful interest in protecting its investment in entrusting its Confidential Information to him; that the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of this Employment Agreement; that in performing such services Executive would inevitably disclose the Company's Confidential Information to third parties; and that the restrictions, prohibitions and other provisions of this Section 14.0 are reasonable, fair and equitable in scope, terms, and duration to protect the legitimate business interests of the Company, and are a material inducement to the Company to enter into this Employment Agreement.

Section 14.02. *Non-Competition Covenant*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, directly or indirectly engage anywhere in the United States or any other country in which the Company conducts business (either as owner, investor, partner, stockholder, employer, employee, consultant, advisor or director) in activities on behalf of any person or entity that provides environmental or industrial products or services that are in competition with any products or services provided by the Company or any of its subsidiaries or that the Company or any of its subsidiaries had plans to provide as of the termination of Executive's employment. It is agreed that the ownership of not more than five percent (5%) of the equity securities of any company having securities listed on an exchange or regularly traded in the over-the-counter market shall not, of itself, be deemed inconsistent with this Section 14.02.

Section 14.03. *Non-Solicitation of Customers and Prospective Customers*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any customer or prospective customer of the Company or any of its subsidiaries to curtail or cancel its business with the Company or any of its subsidiaries.

Section 14.04. *Non-Solicitation of Employees*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment if the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period

of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any employee of the Company or any of its subsidiaries to terminate his or her employment.

Section 14.05. *Non-Disparagement*. Executive agrees that during Executive's employment with the Company and at all times thereafter, Executive shall not directly or indirectly through any other person, make any statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign any of the Company, its affiliates or any of their respective businesses, activities, operations or reputations or any of their respective directors, managers, officers, employees, representatives or more than 1% stockholders. The Company shall not permit any member of the Board to, or authorize or direct any employee of the Company to, make any public statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person if such statement could be reasonably construed to adversely affect the opinion any other person may have or form of such first person. The foregoing limitations shall not be violated by truthful statements made (i) to any governmental authority, (ii) which such person believes, based on the advice of counsel, are in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), (iii) in good faith in connection with any employment (or similar) performance or similar review or (iv) as necessary to defend or prosecute a claim or allegation.

15.0. Remedies.

Section 15.01. *Specific Performance; Costs of Enforcement*. Executive acknowledges that the covenants and agreements which he has made in this Employment Agreement are reasonable and are required for the reasonable protection of the Company, its subsidiaries and their respective businesses. Executive agrees that the breach of any covenant or agreement contained herein will result in irreparable injury to the Company and/or its subsidiaries, and that, in addition to all other remedies provided by law or in equity with respect to the breach of any provision of this Employment Agreement, the Company, its subsidiaries and each of their respective successors and assigns will be entitled to enforce the specific performance by Executive of his obligations hereunder and to enjoin him from engaging in any activity in violation hereof and that no claim by Executive against the Company, any of its subsidiaries or any of their respective successors or assigns will constitute a defense or bar to the specific enforcement of such obligations. Executive agrees that the Company, its subsidiaries and each of their respective successors and assigns shall be entitled to recover all costs of enforcing any provision of this Employment Agreement, including, without limitation, reasonable attorneys' fees and costs of litigation. In the event of a breach by Executive of any covenant or agreement contained in Section 14.0 (other than Section 14.05), the running of the restrictive covenant periods (but not of Executive's obligations thereunder) shall be tolled during the period of the continuance of any actual breach or violation.

Section 15.02. *Additional Remedies for Breach of Restrictive Covenants*. The provisions of Section 12.0, Section 13.0, and Section 14.0 (collectively, the "***Restrictive Covenants***") are separate and distinct commitments independent of each of the other Sections.

Accordingly, notwithstanding any other provision of this Employment Agreement, Executive agrees that damages in the event of a breach or a threatened breach by Executive of Section 12.0, Section 13.0 and/or Section 14.0 would be difficult if not impossible to ascertain and an inadequate remedy, and it is therefore agreed that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief enjoining any such threatened or actual breach, without any requirement to post bond or provide similar security or to prove actual damages. The existence of this right shall not preclude the Company from pursuing any other rights and remedies at law or in equity that the Company may have, including recovery of damages for any breach of such Sections.

Section 15.03. *Right to Cancel Payments*.

(a) In addition to the remedies set forth above in Sections 15.01 and 15.02, the Company may, at the sole discretion of the Board, cancel, rescind or reduce the Severance Payment and the other payments and benefits under Sections 4.02 and 4.04 (other than the Accrued Obligations), whether vested or not, at any time, if Executive is not in compliance with all of the provisions of Section 12.0, Section 13.0 and Section 14.0.

(b) As a condition to the receipt of any payment or benefit under Sections 4.02 and 4.04 (other than the Accrued Obligations), Executive shall certify to the Company that he is in compliance with the provisions set forth above.

(c) In the event that the Company has rescinded any payments or benefits under Sections 4.02 and 4.04 pursuant to Section 15.03(a) at the time of Executive's alleged breach and the arbitrator determines that Executive has failed to comply with the provisions set forth in Section 12.0, Section 13.0 and/or Section 14.0, as finally determined by binding arbitration pursuant to Section 16.0, Executive shall pay to the Company, within 12 months of the Company's rescission of one or more such payments or benefits, the amount of any such payment(s) or benefit(s) received as a result of the rescinded payment(s) or benefit(s), without interest, in such further manner and on such further terms and conditions as may be required by the Company; and the Company shall be entitled to set-off against the amount of such payment or benefit any amount owed to Executive by the Company or any of its subsidiaries (if permitted by Section 409A), other than wages.

(d) Executive acknowledges that the foregoing provisions are fair, equitable and reasonable for the protection of the Company's interests in a stable workforce and the time and expense the Company has incurred to develop its business and its customer and vendor relationships.

(e) Notwithstanding the foregoing or anything contained herein to the contrary, this Section 15.03 shall not apply to any payments or benefits owed to Executive in the event of a termination of employment described in Section 5.0.

16.0. Dispute Resolution; WAIVER OF JURY TRIAL.

Except for claims to enforce or otherwise relating to the Restrictive Covenants, including any claim for injunctive, declaratory or other equitable relief, which remedies may be sought in any court of competent jurisdiction:

Section 16.01. *Initial Negotiations*. The Company and Executive agree to resolve all disputes arising out of their employment relationship by the following alternative dispute resolution process: (a) the Company and Executive agree to seek a fair and prompt negotiated resolution; but if this is not possible, (b) all disputes shall be resolved by binding arbitration; provided, however, that during this process, at the request of either Party, made not later than 60 days after the initial arbitration demand, the Parties agree to attempt to resolve any dispute by non-binding, third-party intervention, including either mediation or evaluation or both but without delaying the arbitration hearing date. **BY ENTERING INTO THIS EMPLOYMENT AGREEMENT, BOTH PARTIES GIVE UP THEIR RIGHT TO HAVE THE DISPUTE DECIDED IN COURT BY A JUDGE OR JURY.**

Section 16.02. *Mandatory Arbitration*. Any controversy or claim arising out of or connected with Executive's employment or service with the Company or any of its affiliates or the termination thereof, including but not limited to claims for compensation or severance and claims of wrongful termination, age, sex or other discrimination or civil rights shall be decided by arbitration. In the event the Parties cannot agree on an arbitrator, then the arbitrator shall be selected by the administrator of the American Arbitration Association ("***AAA***") office in Salt Lake City, Utah. The arbitrator shall be an attorney with at least 15 years' experience in employment law in Idaho. Boise, Idaho shall be the site of the arbitration. All statutes of limitation, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder. Any issue about whether a controversy or claim is covered by this Employment Agreement shall be determined by the arbitrator.

Section 16.03. *Arbitration Rules*.

(a) The arbitration shall be conducted in accordance with this Employment Agreement, using as appropriate the AAA Employment Arbitration Rules and Mediation Procedures then-in-effect. The arbitrator shall not be bound by the rules of evidence or of civil procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require both Parties to submit some or all of their respective cases by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. The Parties agree to limit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

(b) The arbitrator shall take such steps as may be necessary to hold a private hearing within 120 days after the initial request for arbitration; and the arbitrator's written decision shall be made not later than 14 calendar days after the hearing. The Parties agree that they have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause allow reasonable extensions or delays, which shall not affect the validity of the award. Both written discovery and depositions shall be allowed. The extent of such discovery will be determined by the Parties and any disagreements concerning the scope and extent of discovery shall be resolved by the arbitrator. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply applicable substantive law. The arbitrator may award injunctive relief or any other remedy available from a judge, including consolidation of this arbitration with any other involving common issues of law or fact which

may promote judicial economy, and shall award attorneys' fees and costs to the prevailing Party in accordance with Section 17.0, but shall not have the power to award punitive or exemplary damages except where expressly authorized by statute. The Parties specifically state that the agreement to limit damages was agreed to by the Parties after negotiations.

17.0. Attorneys' Fees.

Section 17.01. *Prevailing Party Entitled to Attorneys' Fees*. In any action at law or in equity, or in arbitration, to enforce any of the provisions or rights under this Employment Agreement, the prevailing Party to such litigation, as determined by the arbitrator in accordance with the dispute resolution provisions set forth above, shall be entitled to recover from the unsuccessful Party all costs, expenses and reasonable attorneys' fees incurred therein by such prevailing Party (including, without limitation, such costs, expenses and fees on appeal), excluding, however, any time spent by Company employees, including in-house legal counsel, and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment; provided that nothing herein shall limit Executive's right to recover Executive's full attorney's fees and costs in accordance with any statute authorizing an award of such fees and costs.

Section 17.02. *Limitation on Fees*. Notwithstanding the foregoing provision, in no event shall the prevailing Party be entitled to recover an amount from the unsuccessful Party for costs, expenses and attorneys' fees that exceeds the unsuccessful Party's costs, expenses and attorneys' fees in connection with the action or proceeding.

18.0. Miscellaneous Provisions.

Section 18.01. *Prior Employment Agreements*. Executive represents and warrants that Executive's performance of all the terms of this Employment Agreement and as an executive of the Company does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Executive in confidence or in trust prior to Executive's employment by the Company. Executive has not entered into, and shall not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this Employment Agreement or which would be violated by Executive entering into, or carrying out his obligations under, this Employment Agreement. This Employment Agreement supersedes any former oral agreement and any former written agreement heretofore executed relating generally to the employment of Executive with the Company, including without limitation, the Prior Agreement.

Section 18.02. *Cooperation*. During and after Executive's employment, Executive agrees to cooperate with the Company or any of its subsidiaries in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which Executive has knowledge. Executive's cooperation may include, without limitation, being available to the Company or any of its subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any of its subsidiaries' request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company or any of its subsidiaries pertinent information, and turning over to

the Company or any of its subsidiaries all relevant documents which are or may come into Executive's possession. The Company shall take into account Executive's other obligations in the case of any cooperation requested after the Termination Date. The Company shall promptly reimburse Executive for the reasonable expenses and costs incurred by him in connection with such cooperation to the extent approved in advance in writing by the Company, and, if any such cooperation is provided after the Termination Date at a time when Executive is not receiving any severance payments under this Employment Agreement, shall compensate Executive for Executive's time in providing such cooperation at Executive's hourly Base Salary rate (based on an eight (8) hour work day) as in effect on the Termination Date (provided that no such compensation shall be paid with respect to Executive's testimony as a witness). For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse Executive for any attorneys' fees or related costs Executive may incur absent advance written approval by the Company.

Section 18.03. *Assignment; Binding Effect*. This Employment Agreement may be assigned in whole or in part by the Company or its successors, but may not be assigned by Executive in whole or in part. Notwithstanding the foregoing, this Employment Agreement shall inure to the benefit of and be enforceable by Executive's personal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amounts under this Employment Agreement are owed to him based on events occurring on or prior to such death, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Employment Agreement to Executive's estate.

Section 18.04. *Headings*. Headings used in this Employment Agreement are for convenience only and shall not be used to interpret or construe its provisions.

Section 18.05. *Waiver*. No provision of this Employment Agreement may be waived or discharged unless such waiver or discharge is agreed to in writing and signed by the Company and Executive. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Employment Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

Section 18.06. *Amendments*. No amendments or variations of the terms and conditions of this Employment Agreement shall be valid unless the same is in writing and signed by the Parties hereto.

Section 18.07. *Severability*. The invalidity or unenforceability of any provision of this Employment Agreement, whether in whole or in part, shall not in any way affect the validity and/or enforceability of any other provision contained herein. Any invalid or unenforceable provision shall be deemed severable to the extent of any such invalidity or unenforceability. It is expressly understood and agreed that while the Company and Executive consider the restrictions contained in this Employment Agreement reasonable for the purpose of preserving for the Company the goodwill, other proprietary rights and intangible business value of the Company, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in this Employment Agreement is an unreasonable or otherwise unenforceable restriction against Executive, the provisions of such clause shall not be rendered

void but shall be deemed amended to apply as to maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable.

Section 18.08. *Governing Law*. This Employment Agreement shall be construed and enforced pursuant to the laws of the State of Idaho, applied without reference to principles of conflicts of law.

Section 18.09. *Executive Officer Status*. Executive acknowledges that he may be deemed to be an "executive officer" of the Company for purposes of the Securities Act of 1933, as amended (the "***1933 Act***"), and the 1934 Act and, if so, he shall comply in all respects with all the rules and regulations under the 1933 Act and the 1934 Act applicable to him in a timely and non-delinquent manner. In order to assist the Company in complying with its obligations under the 1933 Act and 1934 Act, Executive shall provide to the Company such information about Executive as the Company shall reasonably request including, but not limited to, information relating to personal history and stockholdings. Executive shall report to the Secretary of the Company or other designated officer of the Company all changes in beneficial ownership of any shares of the Company's Common Stock deemed to be beneficially owned by Executive and/or any members of Executive's immediate family. Executive further agrees to comply with all requirements placed on him by the Sarbanes-Oxley Act of 2002, Public Law 107-204.

Section 18.10. *Tax Withholding*. To the extent required by law, the Company shall deduct or withhold from any payments under this Employment Agreement all applicable federal, state and local income taxes, Social Security, Medicare, unemployment tax and other amounts that the Company determines in good faith are required by law to be withheld.

Section 18.11. *Counterparts*. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document.

Section 18.12. *Retention of Counsel*. Executive acknowledges that he has had the opportunity to review this Employment Agreement and the transactions contemplated hereby with his own legal counsel.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Employment Agreement has been duly executed by the Company and Executive as of the date first above written.

EXECUTIVE:

/s/ Jeffrey R. Feeler
JEFFREY R. FEELER

COMPANY:

US ECOLOGY, INC.

By: /s/ John Sahlberg
Name: John Sahlberg
Title: CHAIRMAN OF COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

Exhibit 10.14

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (this "***Employment Agreement***") is made and entered into effective as of the 22nd day of December, 2020 (the "***Effective Date***"), by and between US ECOLOGY, INC., a Delaware corporation (the "***Company***"), and ERIC L. GERRATT ("***Executive***"). The Company and Executive are sometimes collectively referred to herein as the "***Parties***," and individually, as a "***Party***."

WHEREAS, immediately prior to the Effective Date, Executive rendered valuable services to the Company in the capacity of Executive Vice President and Chief Financial Officer, pursuant to an Executive Employment Agreement, dated February 25, 2016 (the "***Prior Agreement***"); and

WHEREAS, the Parties desire to amend and restate the Prior Agreement in its entirety as set forth herein and to continue Executive's employment with the Company as Executive Vice President and Chief Financial Officer on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1.0. Employment.

Section 1.01. *Employment*. The Company hereby employs Executive, and Executive hereby accepts employment with the Company, all upon the terms and subject to the conditions set forth in this Employment Agreement, effective as of the Effective Date first set forth above.

Section 1.02. *Term of Employment*. The term of employment of Executive by the Company pursuant to this Employment Agreement shall be for the period commencing on the Effective Date and ending December 31, 2021 (the "***Employment Term***"), or such earlier date that Executive's employment is terminated in accordance with the provisions of this Employment Agreement; provided, however, that the Employment Term shall automatically renew for additional one year periods if neither the Company nor Executive has notified the other in writing of its or his intention not to renew this Employment Agreement on or before 60 days prior to the expiration of the Employment Term (including any renewal(s) thereof).

Section 1.03. *Capacity and Duties*. During the Employment Term, Executive is and shall be employed in the capacity of Executive Vice President and Chief Financial Officer of the Company and its subsidiaries, and shall have such other duties, responsibilities and authorities as may be assigned to him from time to time by the President and Chief Executive Officer ("***CEO***") and the Board of Directors of the Company (the "***Board***"), which are not materially inconsistent with Executive's positions with the Company. Except as otherwise herein provided, Executive shall devote his entire business time, best efforts and attention to promote and advance the business of the Company and its subsidiaries and to perform diligently and

faithfully all the duties, responsibilities and obligations of Executive to be performed by him under this Employment Agreement. Upon termination of Executive's employment for any reason, unless otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further action by Executive, as of the end of Executive's employment, and Executive, at the Board's request, will execute any documents necessary to reflect his resignation.

Section 1.04. *Place of Employment*. Executive's principal place of work shall be the main corporate office of the Company, currently located in Boise, Idaho; provided, however, that the location of the Company and any of its offices may be moved from time to time in the discretion of the Board.

Section 1.05. *No Other Employment*. During the Employment Term, Executive shall not be employed in any other business activity, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided, however, that this restriction shall not be construed as preventing Executive from (i) participating in charitable, civic, educational, professional, community or industry affairs; (ii) sitting on one outside board of directors for a public or private company that does not compete with the Company, with the prior concurrence of the Board that the required time commitment with respect to such position is acceptable; and (iii) investing his personal assets in a business which does not compete with the Company or its subsidiaries or with any other company or entity affiliated with the Company, where the form or manner of such investment will not require services on the part of Executive in the operation of the affairs of the business in which such investment is made and in which his participation is solely that of a passive investor or advisor, so long as the activities in clauses (i), (ii) and (iii), above, do not materially interfere with the performance of Executive's duties hereunder or create a potential business conflict or the appearance thereof.

Section 1.06. *Adherence to Standards*. Executive shall comply with the written policies, standards, rules and regulations of the Company from time to time established for all executive officers of the Company consistent with Executive's position and level of authority, including, without limitation, policies relating to stock ownership guidelines, clawback of compensation, hedging and pledging of securities and insider trading.

Section 1.07. *Review of Performance*. The CEO shall periodically review and evaluate with Executive his performance under this Employment Agreement.

2.0. Compensation.

During the Employment Term, subject to all the terms and conditions of this Employment Agreement and as compensation for all services to be rendered by Executive hereunder, the Company shall pay to or provide Executive with the following:

Section 2.01. *Base Salary*. During the Employment Term, the Company shall pay to Executive an annual base salary ("***Base Salary***") in an amount not less than Four Hundred

Twenty-Five Thousand and No/100 Dollars ($425,000.00). Such Base Salary shall be payable in accordance with the regular payroll practices and procedures of the Company.

Section 2.02. *Incentive Pay*. During the Employment Term, Executive shall be eligible to participate in any cash incentive or bonus plans of the Company which are in effect for executives from time to time, including the annual cash incentive payment opportunity granted to Executive under the Company's Management Incentive Plan ("***MIP***," and together with any other cash incentive or bonus plans of the Company in which Executive participates, the "***Cash Incentive Plans***"), subject to the terms and conditions thereof, at a minimum 75% of Base Salary ("***Target Bonus***") at a 100% of MIP target basis, with such MIP target to be set annually by the Board. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate any or all of its Cash Incentive Plans at any time. In the event of any inconsistency between the terms of this Employment Agreement and the terms of any Cash Incentive Plan, the Cash Incentive Plan shall govern and control; provided, however, that any amount owed to Executive under a Cash Incentive Plan in accordance with the terms thereof shall be paid to Executive no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 2.03. *Paid Time Off and Other Benefits*. During the Employment Term, Executive shall be entitled to Paid Time Off ("***PTO***") consistent with the Company's policy for senior executives (as in effect from time to time), and shall have the right, on the same basis as other members of senior management of the Company, to participate in any and all employee benefit plans and programs of the Company, including medical plans and other benefit plans and programs as shall be, from time to time, in effect for executive employees and senior management personnel of the Company. Such participation shall be subject to the terms of the applicable plan documents, generally applicable Company policies and the discretion of the Board or any administrative or other committee provided for in, or contemplated by, each such plan or program. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate such benefit plans and programs at any time, including, without limitation, any modification of the Company's PTO policy.

Section 2.04. *Expenses*. The Company shall reimburse Executive for all reasonable, ordinary and necessary business expenses including, but not limited to, automobile and other business travel and customer and business entertainment expenses incurred by him during the Employment Term in connection with his employment in accordance with the Company's expense reimbursement policy; provided, however, Executive shall render to the Company a complete and accurate accounting of all such business expenses in accordance with the substantiation requirements of the Internal Revenue Code of 1986, as amended (the "***Code***"). Executive's right to reimbursement hereunder may not be liquidated or exchanged for any other benefit, the amount of expenses eligible for reimbursement hereunder in a calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year, and Executive shall be reimbursed for eligible expenses no later than the close of the calendar year immediately following the calendar year in which Executive incurs the applicable expense.

3.0. Termination of Employment.

Section 3.01. *Termination of Employment*. Executive's employment and the Employment Term may be terminated prior to expiration of the Employment Term as follows (with the date of termination being referred to hereinafter as the "***Termination Date***"):

(a) By either Party by delivering 60 days' prior written notice of non-renewal as set forth in Section 1.02 above;

(b) Upon no less than 30 days' written notice from the Company to Executive at any time without Cause (as hereinafter defined) and other than due to Executive's death or Disability, subject to the provisions of Section 4.02 below;

(c) By the Company for Cause (as hereinafter defined) immediately upon written notice stating the basis for such termination;

(d) Immediately upon the death of Executive;

(e) Due to the Disability (as hereinafter defined) of Executive;

(f) By Executive due to Retirement (as hereinafter defined) upon 90 days' prior written notice to the Company stating that Executive does not intend to engage in full-time employment following such termination of employment;

(g) By Executive at any time with or without Good Reason (as hereinafter defined), other than due to Retirement, upon 30 days' written notice from Executive to the Company (or such shorter period to which the Company may agree); or

(h) Upon the mutual agreement of the Company and Executive.

Section 3.02. *Certain Definitions*. For purposes of this Employment Agreement, the following terms have the meanings set forth below:

(a) "***Cause***" shall mean, by reason of a determination by two-thirds (2/3) of the members of the Board (excluding, for all such purposes, Executive, if Executive is a member of the Board) voting, that Executive:

(i) Has engaged in willful neglect (other than neglect resulting from his incapacity due to physical or mental illness) of Executive's duties or willful misconduct in the performance of his duties for the Company under this Employment Agreement, or has willfully violated any material written policy of the Company;

(ii) Has engaged in willful or grossly negligent conduct the consequences of which are materially adverse to the Company, monetarily or otherwise;

(iii) Has failed to follow the lawful instructions of the CEO or the Board that are consistent with his position as Executive Vice President and Chief Financial Officer;

(iv) Has materially breached the terms of this Employment Agreement, and such breach persisted after notice thereof from the Company and a reasonable opportunity to cure; or

(v) Has been convicted of (or has plead guilty or no contest to) any felony (other than a traffic violation) or any misdemeanor involving moral turpitude.

(b) "***Disability***" shall mean that, as a result of Executive's incapacity due to physical or mental illness, Executive is considered disabled under the Company's Long-Term Disability Plan or, in the absence of such plan, Executive is unable (without reasonable accommodation), as determined by the Board in good faith, to perform Executive's essential duties, responsibilities and functions under this Employment Agreement for a period of 180 days during any 12 consecutive months.

(c) "***Good Reason***" shall mean the occurrence of any of the following without Executive's prior written consent during the Employment Term:

(i) Any material diminution or adverse change in Executive's title, authority, responsibilities or duties under this Employment Agreement which are materially inconsistent with his title, authority, responsibilities or duties set forth in this Employment Agreement, or any removal of Executive from, or failure to appoint, elect, reappoint or reelect Executive to, any of his positions, except in connection with the termination of his employment with or without Cause, or as a result of his death or Disability;

(ii) The exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to the failure to continue such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such termination is required by law, or applies to all of the Company's executive officers and/or employees generally.

(iii) The failure by the Company to include or continue Executive's participation in any material employee benefit plan (including any medical, hospitalization, life insurance or disability benefit plan in which Executive participates or in which other Company executives participate), or any material fringe benefit or

prerequisite enjoyed by him unless an equitable arrangement (embodied in an ongoing substitute or alternative plan, if applicable) has been made with respect to the failure to include Executive in such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder, or the failure by the Company to provide him with the benefits to which he is entitled under this Employment Agreement; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any employee benefit plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such exclusion is required by law, or applies to all of the Company's executive officers and/or employees generally;

(iv) Any material breach by the Company of any provision of this Employment Agreement; or

(v) The relocation of the main corporate office of the Company beyond a 50 mile radius from Boise, Idaho or beyond a fifty (50) mile radius from Executive's primary place of employment if not in the corporate office, in each case which materially increases Executive's commute.

Notwithstanding any other provision of this Employment Agreement to the contrary, Executive shall be deemed not to have terminated his employment for Good Reason unless (i) Executive notifies the Board in writing of the condition that Executive believes constitutes Good Reason within 90 days after the initial existence thereof (which notice specifically identifies such condition and the details regarding its existence), (ii) the Company fails to remedy such condition within 30 days after the date on which the Board receives such notice (the "***Remedial Period***"), and (iii) Executive terminates employment with the Company (and its subsidiaries and affiliates) within 60 days after the end of the Remedial Period. The failure by Executive to include in the notice any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder.

(d) "***Retirement***" shall mean Executive's termination of employment with the Company and its subsidiaries for any reason (other than for Cause, or when grounds for Cause exist, or due to Executive's death) after attaining age [52] and having been employed by the Company or its subsidiaries for not less than 10 consecutive years as of immediately prior to such termination of employment.

4.0. Payments and Benefits Upon Termination of Employment.

Section 4.01. *Termination by the Company For Cause or by Executive Without Good Reason.* If Executive's employment and the Employment Term are terminated by the Company for Cause or by Executive without Good Reason (but not due to Retirement), the Company shall pay Executive the Accrued Obligations (as hereinafter defined) (other than, however, any amounts due under any Cash Incentive Plan which shall be forfeited pursuant to

the terms of such plan), in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law).

Section 4.02. *Termination by the Company Without Cause or by Executive For Good Reason*. Subject to Section 5.0 below, if Executive's employment and the Employment Term are terminated by the Company without Cause or if Executive terminates his employment and the Employment Term for Good Reason, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, subject to Sections 5.0, 6.0 and 7.0, in the event of such a termination, Executive shall be entitled to receive the following:

(i) an amount equal to the sum of two year's Base Salary and two times Target Bonus ("***Severance Payment***"), which shall be payable during the two year period immediately following the Termination Date as provided below;

(ii) continued vesting of outstanding stock options and stock appreciation rights for a period of two years following the Termination Date, with any stock option and stock appreciation right held by Executive immediately prior to such termination that is, or becomes, vested to remain exercisable until the earlier of the second anniversary of the Termination Date and the original expiration date of such stock option or stock appreciation right (as applicable);

(iii) immediate vesting of any restricted stock grants that would have vested during the two-year period immediately following the Termination Date;

(iv) continued vesting of restricted stock unit grants for a period of two years following the Termination Date in the same manner as if no such termination had occurred;

(v) continued vesting of performance stock and performance stock units in the same manner as if no termination of employment had occurred, with payment calculated based on actual performance but with vesting to be pro-rated based on the number of days from the start of the performance period through the second anniversary of the Termination Date in relation to the total number of days in the performance period (provided that such pro-ration shall not result in a pro-ration factor greater than 1);

(vi) reimbursement of Executive's and his eligible dependents' insurance premiums pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") under the Company's medical, dental and vision plans if Executive and Executive's eligible dependents are eligible for, and timely elect, COBRA continuation coverage, with such reimbursements to be provided for a period of the lesser

of 18 months immediately following the Termination Date or the date Executive or such dependent receives similar or comparable coverage from a new employer, a spouse or the employer of a spouse; provided, however, that the Company may unilaterally amend this clause (v) or eliminate the benefit provided hereunder to the extent it deems necessary to avoid the imposition of excise taxes, penalties or similar charges on the Company or any of its subsidiaries or affiliates, including, without limitation, under Code Section 4980D, or to the extent that this provision violates applicable law or non-discrimination rules (Executive understands that such COBRA reimbursement may be treated as taxable, in which case, Executive shall be grossed-up for such taxes in accordance with Section 409A);

(vii) 6 monthly payments each in an amount equal to the greater of (x) two (2) times the monthly COBRA insurance premiums as of the Termination Date under the Company's medical, dental and vision plans and (y) $5,000, in either case as compensation for Executive's loss of participation in certain of the Company's employee benefit plans, which shall commence on the first payroll date following the 18-month anniversary of the Termination Date; and

(viii) 24 monthly cash payments each in an amount equal to two (2) times the monthly premiums as of the Termination Date for the life insurance and long-term disability insurance coverage under the Company's life insurance and long-term disability plans covering Executive as of immediately prior to the Termination Date (the "***L&D Payments***"), which shall be payable during the two year period immediately following the Termination Date as provided below.

All payments and benefits under this Section 4.02 (other than the Accrued Obligations) shall be conditional on Executive's timely execution and non-revocation of the Release (as defined in Section 6.0) and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0. Payment of the Severance Payment and the L&D Payments shall be made in substantially equal installments in accordance with the regular payroll practices and procedures of the Company commencing on the first payroll date occurring after Executive's Release becomes effective (but not later than sixty (60) days after the Termination Date); provided, however, that the first such payment shall include any installments that would have been made on previous payroll dates but for the requirement that Executive execute a Release. For the avoidance of doubt, a termination of employment pursuant to Section 3.01(a) by notice of non-renewal by the Company for any reason other than Cause, shall be deemed a termination of employment by the Company without Cause for purposes of this Section 4.02 and Section 5, as applicable.

Section 4.03. *Termination Due to Death*. If Executive's employment and the Employment Term are terminated due to Executive's death, the Company shall pay the estate of Executive the Accrued Obligations in a single, lump-sum payment within 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested

stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock and performance stock units will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units and performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (iii) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date.

Section 4.04. *Termination Due to Disability*. If Executive's employment and the Employment Term are terminated due to his Disability, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, performance stock and performance stock units (but only performance stock units that are not subject to Section 409A (as hereinafter defined)) will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units will continue to vest for a period of two years following the Termination Date in the same manner as if no such termination had occurred (provided that if such termination occurs within 24 months after a Change of Control, any restricted stock units granted after the Effective Date will vest in full upon such termination and shall be settled within 30 days thereafter), (iii) any performance stock units that are subject to Section 409A will continue to vest in the same manner as if no such termination of employment had occurred, with performance deemed achieved at target (provided that if such termination occurs within 24 months after a Change of Control, any performance stock units that are subject to Section 409A granted after the Effective Date will vest in full upon such termination with performance being deemed achieved at target and shall be settled within 30 days thereafter), (iv) all performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (v) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date; provided, however, that such continued vesting and exercisability of any restricted stock, restricted stock units, stock options, stock appreciation rights, performance stock units and performance stock under this Section 4.04 shall be conditional on Executive's timely execution and non-revocation of the Release and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0 below.

Section 4.05. *Retirement*. If Executive's employment and the Employment Term are terminated by virtue of Executive's Retirement, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 4.06. *Definition of Accrued Obligations*. "***Accrued Obligations***" shall mean (i) any earned but unpaid Base Salary through the Termination Date and any PTO that is accrued but unused as of the Termination Date (with such accrual determined in accordance with the Company's PTO policy); (ii) any unreimbursed business expenses incurred through the Termination Date that are otherwise reimbursable in accordance with Company policy; (iii) all other payments, benefits or fringe benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Employment Agreement; and (iv) subject to forfeiture of any such payments under the terms of the applicable Cash Incentive Plan (x) to the extent unpaid, any cash incentive earned under any Cash Incentive Plan for the fiscal year prior to the year in which Executive's termination occurs and (y) any cash incentive earned under any Cash Incentive Plan in the year of Executive's termination of employment based on actual results over the entire performance period and shall be paid on a pro-rata basis based on days employed during the fiscal year of such plan if any. With respect to clause (iv)(y) of this Section 4.06, for the sake of clarity and by way of example only, if Executive is employed for 270 days of a fiscal year and the management incentive plan in place at the time pays out 100% of target, Executive would be owed 74% (270/365) of any incentive payments to which he would have been entitled had his employment not been terminated. Such payments under clause (iv) hereof shall be made in accordance with the terms of any Cash Incentive Plan in effect at the time, except that any requirement that the recipient must be an employee at the time of payment shall be waived by the Company under this policy.

5.0. Payment and Benefits Upon Certain Terminations in Connection with a Change of Control.

Section 5.01. *Change of Control Severance Benefits*. Subject to Sections 6.0 and 7.0 below, if within 24 months after a Change of Control, Executive's employment and the Employment Term are terminated by the Company without Cause (but not due to death or Disability) or by Executive for Good Reason, then Executive shall receive:

(i) in lieu of the Severance Payment, a payment equal to two times the sum of (x) his annual Base Salary; and (y) the *greater of* (a) any earned but unpaid amount due under any Cash Incentive Plan (as determined by the terms of the Cash Incentive Plan); and (b) Executive's Target Bonus amount (collectively, the "***Change of Control Payment***");

(ii) the payments and benefits set forth in clauses (vi), (vii) and (viii) of Section 4.02 at the times provided therein;

(iii) full vesting of all unvested stock options, stock appreciation rights, restricted stock, restricted stock units (but only to the extent such restricted stock units are granted after the Effective Date), performance stock units (but only to the extent such performance stock units (x) are not subject to Section 409A or (y) are subject to Section 409A but are granted after the Effective Date) and performance stock (with all stock options and stock appreciation rights to remain exercisable through their normal expiration date, with performance with respect to any performance-based awards to be

deemed achieved at target and with all restricted stock units and performance stock units that become vested under this clause (iii) to be settled within 30 days after the Termination Date), provided, however, that if unvested stock options, stock appreciation rights, restricted stock, performance stock units (to the extent not subject to Section 409A) and performance stock held by Executive are not continued, substituted for or assumed by the successor company in connection with a Change of Control, such awards shall immediately vest upon the Change of Control;

(iv) with respect to any restricted stock units that are outstanding on the Effective Date, continued vesting of such restricted stock units in the same manner as if no such termination of employment had occurred; and

(v) with respect to any performance stock units that are subject to Section 409A that are outstanding on the Effective Date, continued vesting of such performance stock units in the same manner as if no such termination of employment had occurred (with payment based on target performance).

The Change of Control Payment shall be paid in a single lump-sum payment on the first payroll date after the effective date of the Release, but in any event within 60 days after the Termination Date.

In the event of a termination described in this Section 5.0, Executive also shall be entitled to receive the Accrued Obligations (to be provided in accordance with Section 4.02).

In the event of an inconsistency between this Section 5.0 and Section 4.02, this Section 5.0 shall govern and control.

Section 5.02. *Definition of Change of Control*. A "**Change of Control**" shall be deemed to have occurred upon:

(i) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "***Business Combination***"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 60% of the combined voting power of the then-outstanding securities of the entity resulting from such Business Combination; provided, however, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) The sale, transfer, or other disposition of all or substantially all of the Company's assets;

(iii) Any transaction as a result of which any person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "***1934 Act***")), directly or indirectly, of securities of the Company representing more than 30% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this subparagraph (iii), the term "person" shall have the same meaning as when used in sections

13 and 14(d) of the 1934 Act, but shall exclude (x) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a subsidiary; (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company; and (z) any person or entity owning more than 30% of the total voting power represented by the Company's then outstanding voting securities immediately prior to such transaction; or

(iv) A change in the composition of the Board in any 12-month period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***" shall mean directors who either (a) are directors of the Company as of the start of the period or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing or anything contained herein to the contrary, no transaction or event shall be a Change of Control unless it also satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii).

6.0. Release.

Executive's entitlement to the payments and benefits described in Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, other than the Accrued Obligations, is subject to and conditioned upon Executive's timely execution, without subsequent revocation, of a release of claims in favor of the Company and its subsidiaries and affiliates in form and substance satisfactory to the Company (the "***Release***"); provided, however, that notwithstanding the foregoing, the Release is not intended to and will not waive Executive's rights: (i) to indemnification pursuant to any applicable provision of the Company's Bylaws or Certificate of Incorporation, as amended, pursuant to any written indemnification agreement between Executive and the Company, or pursuant to applicable law; (ii) to vested benefits or payments specifically to be provided to Executive under this Employment Agreement or any Company employee benefit plans or policies; or (iii) respecting any claims Executive may have solely by virtue of Executive's status as a stockholder of the Company. The Release also shall not impose any restrictive covenant on Executive's conduct post-termination that Executive had not agreed to prior to Executive's termination in this Agreement or otherwise or include claims that an employee cannot lawfully release through execution of a general release of claims.

To be timely, the Release must become effective (i.e., Executive must sign it and any revocation period must expire without Executive revoking the Release) within 60 days, or such shorter period specified in the Release, after Executive's date of termination of employment. If the Release does not become effective within such time period, then Executive shall not be entitled to such payments and benefits. The Company is obligated to provide Executive the Release within 7 calendar days after the Termination Date and Executive shall have a minimum of 21 calendar days to review and comment on the Release.

Notwithstanding anything contained in this Employment Agreement to the contrary, if payment or provision of any amounts under Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, on which Executive's execution and non-revocation of the Release is conditioned, could commence in more than one calendar year based on when the Release could be executed (regardless of when the Release is executed), then to the extent any such amounts are treated as nonqualified deferred compensation under Section 409A (as hereinafter defined) any such amounts that otherwise would have been paid or provided in such first calendar year instead shall be withheld and paid or provided on the first payroll date in such second calendar year with all remaining payments and benefits to be made as if no such delay had occurred.

7.0. Compliance With Section 409A.

Section 7.01. *General*. The provisions of this Employment Agreement are intended to comply with the requirements of Section 409A of the Code and any regulations and official guidance promulgated thereunder ("***Section 409A***") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be interpreted in accordance with Section 409A. Any payments that qualify for the "short-term deferral" exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Employment Agreement shall be treated as a separate payment of compensation for purposes of Section 409A and a right to a series of installment payments under this Employment Agreement (including pursuant to Section 4.02) shall be treated as a right to a series of separate and distinct payments. All payments to be made upon a termination of employment under this Employment Agreement that are treated as nonqualified deferred compensation under Section 409A may only be made upon a "separation from service" under Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Employment Agreement. For purposes of this Employment Agreement, a termination of Executive's employment as a result of Disability, by the Company without Cause or by Executive for Good Reason, in each case, is intended to constitute an "involuntary separation" within the meaning of, and for purposes of, Section 409A, and this Employment Agreement shall be interpreted accordingly.

Section 7.02. *In-Kind Benefits and Reimbursements*. Notwithstanding anything to the contrary in this Employment Agreement, all reimbursements and in-kind benefits provided hereunder shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified herein); (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to Executive as described in Treasury Regulation Section 1.409A-3(i)(1)(iv)(B); (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year immediately following the calendar year in which the expense is incurred, *provided* that reimbursement shall be made only if Executive has submitted an invoice for such expenses at least 10 days before the end of the calendar year

immediately following the calendar year in which such expenses were incurred; and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Section 7.03. *Delay of Payments*. Notwithstanding any other provision of this Employment Agreement to the contrary, if Executive is considered a "specified employee" for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination of employment), any payment that constitutes nonqualified deferred compensation within the meaning of Section 409A that is otherwise due to Executive hereunder during the six-month period immediately following Executive's separation from service (as determined in accordance with Section 409A) on account of Executive's separation from service shall be accumulated and paid to Executive on the first business day after the date that is six months immediately following Executive's separation from service (the "***Delayed Payment Date***"). Executive shall be entitled to interest (at a per annum rate equal to the highest rate of interest applicable to six-month non-callable certificates of deposit with daily compounding offered by the following institutions: Citibank, N.A., Wells Fargo Bank, N.A. or Bank of America, on the date of such separation from service) on any cash payments so delayed from the scheduled date of payment to the Delayed Payment Date. If Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of Executive's estate on the first to occur of the Delayed Payment Date or 30 days after the date of Executive's death.

Section 7.04. *Cooperation*. Executive and the Company agree to work together in good faith to consider amendments to this Employment Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

Section 7.05. *No Liability*. Notwithstanding anything contained in this Employment Agreement to the contrary, neither the Company nor any of its subsidiaries or affiliates shall have any liability or obligation to Executive or to any other person or entity in the event that this Employment Agreement, or any of the payments or benefits provided under this Employment Agreement, does not comply with, or is not exempt from, Section 409A.

8.0. Limitation on Payments.

Notwithstanding any other provision of this Employment Agreement or any other agreement or arrangement between Executive and the Company or any of its affiliates, in the event that the payments and other benefits provided for in this Employment Agreement, together with all other payments and benefits that Executive receives or is entitled to receive from the Company or any of its subsidiaries, (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8.0, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent as would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduction in payments and benefits constituting "parachute payments" is necessary so that payments and benefits are delivered to a lesser extent under Section 8.0(b) hereof, reduction shall occur in the following order: (i) reduction of cash severance payments (reduced from the latest scheduled payments to the earliest scheduled payments); (ii) cancellation of any equity awards that are included under Section 280G of the Code at full value rather than accelerated value (reduced from highest value to lowest value under Section 280G of the Code and, if such values are the same, from latest to earliest scheduled vesting dates); (iii) cancellation of the accelerated vesting of any equity awards included under Section 280G of the Code at an accelerated value (and not at full value), which shall be reduced with the highest value reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) (and if such values are the same, from latest to earliest vesting dates); and (iv) reduction of any other non-cash benefits (including the value of the accelerated payment of any cash payments), reduced in the order of highest to lowest value under Code Section 280G (and if such values are the same, from latest to earliest payment dates); provided, in each case, that any such reduction shall be made in a manner consistent with the requirements of Section 409A. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8.0 will be made in writing by an independent, nationally recognized accounting firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8.0, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 8.0. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 8.0.

9.0. Return of Property.

Executive agrees, upon the termination of his employment with the Company or upon the earlier written request of the Company, to return to the Company all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including without limitation, computerized and/or electronic information that refers, relates or otherwise pertains to the Company and/or its subsidiaries, and any and all business dealings of said persons and entities. In addition, Executive shall return to the Company all property and equipment that Executive has been issued during the course of his employment or which he otherwise then possesses or has control over, including but not limited to, any computers, cellular phones, personal digital assistants, pagers and/or similar items. Executive shall immediately deliver to the Company any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files, materials, property and equipment that are in Executive's possession or control. Executive further agrees that he will immediately forward to the Company any business information regarding the Company and/or its subsidiaries that has been or is inadvertently directed to Executive following his last day of employment with

the Company. The provisions of this Section 9.0 are in addition to any other written agreements on this subject that Executive may have with the Company and/or its subsidiaries, and are not meant to and do not excuse any additional obligations that Executive may have under such agreements.

10.0. Notices.

For the purposes of this Employment Agreement, notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by expedited (overnight) courier with established national reputation, shipping prepaid or billed to sender, in either case addressed to the respective addresses last given by each Party to the other (provided that all notices to the Company shall be directed to the attention of the CEO) or to such other address as either Party may have furnished to the other in writing in accordance herewith. All notices and communications shall be deemed to have been received on the date of delivery thereof, or on the second day after deposit thereof with an expedited courier service, except that notice of change of address shall be effective only upon receipt. Notices shall be addressed as follows:

If to the Company:
101 S. Capitol Blvd., Suite 1000
Boise, Idaho 83702

If to Executive:
As on file with the Company's Corporate Secretary

11.0. Life Insurance.

The Company may, at any time after the execution of this Employment Agreement, apply for and procure as owner and for its own benefit, life insurance on Executive, in such amounts and in such form or forms as the Company may determine. Executive shall, at the request of the Company, submit to such medical examinations, supply such information, and execute such documents as may be required by the insurance company or companies to whom the Company has applied for such insurance.

12.0. Confidentiality.

Executive agrees not to disclose or reveal to any person or entity outside the Company or any of its subsidiaries any confidential, trade secret, proprietary or other non-public information concerning the Company, any of its subsidiaries or any of the businesses or operations of the Company or any of its subsidiaries ("***Confidential Information***"), including all information relating to any Company or subsidiary product, process, equipment, machinery, design, formula, business plan or strategy, or other activity without prior permission of the Company in writing.

Confidential Information shall not include any information which is in the public domain or becomes publicly known, in either case, through no wrongful act on the part of Executive or breach of this Employment Agreement. Executive acknowledges that the Confidential Information is vital, sensitive, confidential and proprietary to the Company or its subsidiaries. The obligation to protect the secrecy of such information continues after employment with Company or any of its subsidiaries may be terminated. In furtherance of this agreement, Executive acknowledges that all Confidential Information which Executive now possesses, or shall hereafter acquire, concerning and pertaining to the business and secrets of the Company or any of its subsidiaries and all inventions or discoveries made or developed, or suggested by or to Executive during said term of employment relating to the Company's or any of its subsidiaries' business shall, at all times and for all purposes, be regarded as acquired and held by Executive in his fiduciary capacity and solely for the benefit of the Company or any of its subsidiaries.

Pursuant to 18 U.S.C. § 1833(b), Executive understands that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to his attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if he files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, he may disclose the trade secret to his attorney and use the trade secret information in the court proceeding if he (I) files any document containing the trade secret under seal, and (II) does not disclose the trade secret, except pursuant to court order. Nothing in this Employment Agreement, or any other agreement that Executive has with the Company, is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Employment Agreement or any other agreement that Executive has with the Company or any of its affiliates shall prohibit or restrict him from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

13.0. Work Product Assignment.

Executive agrees that all inventions, innovations, discoveries, improvements, technical information, systems, software developments, methods, designs, analyses, data, drawings, reports, works of authorship, service marks, trademarks, trade names, logos and all similar or related information or developments (whether patentable or unpatentable) which relate to the actual or anticipated business, research and development or existing or future products or services of the Company or of any of its subsidiaries or affiliates, and which are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company, together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing and any other intellectual property right or other proprietary rights in any of the foregoing (collectively referred to herein as the "***Work Product***"), are in all instances the exclusive property of the Company, and Executive hereby irrevocably assigns to the Company

all Work Product and all of his interest therein, including all rights to claim and recover damages and/or injunctive relief for past, present, and future infringement or violation of any Work Product. Executive agrees to promptly make full written disclosure to the Company of any and all Work Product. Executive will promptly perform all actions reasonably requested by the Board (whether during or after his employment with the Company) to establish and confirm the ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney and other instruments) by the Company or its subsidiaries or affiliates, as applicable, and to provide reasonable assistance to the Company or any of its subsidiaries and affiliates in connection with the prosecution of any applications for patents, trademarks, trade names, service marks or reissues thereof or other intellectual property rights, or in the prosecution, maintenance, enforcement and defense of any intellectual property rights or other proprietary rights in any Work Product. Without limiting the foregoing, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and on Executive's behalf to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by Executive.

14.0. Covenant Not to Compete, Not to Solicit and Not to Disparage.

Section 14.01. *Acknowledgment of Executive*. Executive acknowledges that his employment with the Company has special, unique and extraordinary value to the Company; that the Company has a lawful interest in protecting its investment in entrusting its Confidential Information to him; that the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of this Employment Agreement; that in performing such services Executive would inevitably disclose the Company's Confidential Information to third parties; and that the restrictions, prohibitions and other provisions of this Section 14.0 are reasonable, fair and equitable in scope, terms, and duration to protect the legitimate business interests of the Company, and are a material inducement to the Company to enter into this Employment Agreement.

Section 14.02. *Non-Competition Covenant*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, directly or indirectly engage anywhere in the United States or any other country in which the Company conducts business (either as owner, investor, partner, stockholder, employer, employee, consultant, advisor or director) in activities on behalf of any person or entity that provides environmental or industrial products or services that are in competition with any products or services provided by the Company or any of its subsidiaries or that the Company or any of its subsidiaries had plans to provide as of the termination of Executive's employment. It is agreed that the ownership of not more than five percent (5%) of the equity securities of any company having securities listed on an exchange or regularly traded in the over-the-counter market shall not, of itself, be deemed inconsistent with this Section 14.02.

Section 14.03. *Non-Solicitation of Customers and Prospective Customers*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any customer or prospective customer of the Company or any of its subsidiaries to curtail or cancel its business with the Company or any of its subsidiaries.

Section 14.04. *Non-Solicitation of Employees*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment if the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any employee of the Company or any of its subsidiaries to terminate his or her employment.

Section 14.05. *Non-Disparagement*. Executive agrees that during Executive's employment with the Company and at all times thereafter, Executive shall not directly or indirectly through any other person, make any statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign any of the Company, its affiliates or any of their respective businesses, activities, operations or reputations or any of their respective directors, managers, officers, employees, representatives or more than 1% stockholders. The Company shall not permit any member of the Board to, or authorize or direct any employee of the Company to, make any public statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person if such statement could be reasonably construed to adversely affect the opinion any other person may have or form of such first person. The foregoing limitations shall not be violated by truthful statements made (i) to any governmental authority, (ii) which such person believes, based on the advice of counsel, are in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), (iii) in good faith in connection with any employment (or similar) performance or similar review or (iv) as necessary to defend or prosecute a claim or allegation.

15.0. <u>Remedies.</u>

Section 15.01. *Specific Performance; Costs of Enforcement*. Executive acknowledges that the covenants and agreements which he has made in this Employment Agreement are reasonable and are required for the reasonable protection of the Company, its subsidiaries and their respective businesses. Executive agrees that the breach of any covenant or agreement contained herein will result in irreparable injury to the Company and/or its subsidiaries, and that, in addition to all other remedies provided by law or in equity with respect to the breach of any provision of this Employment Agreement, the Company, its subsidiaries and

each of their respective successors and assigns will be entitled to enforce the specific performance by Executive of his obligations hereunder and to enjoin him from engaging in any activity in violation hereof and that no claim by Executive against the Company, any of its subsidiaries or any of their respective successors or assigns will constitute a defense or bar to the specific enforcement of such obligations. Executive agrees that the Company, its subsidiaries and each of their respective successors and assigns shall be entitled to recover all costs of enforcing any provision of this Employment Agreement, including, without limitation, reasonable attorneys' fees and costs of litigation. In the event of a breach by Executive of any covenant or agreement contained in Section 14.0 (other than Section 14.05), the running of the restrictive covenant periods (but not of Executive's obligations thereunder) shall be tolled during the period of the continuance of any actual breach or violation.

Section 15.02. *Additional Remedies for Breach of Restrictive Covenants*. The provisions of Section 12.0, Section 13.0, and Section 14.0 (collectively, the "***Restrictive Covenants***") are separate and distinct commitments independent of each of the other Sections. Accordingly, notwithstanding any other provision of this Employment Agreement, Executive agrees that damages in the event of a breach or a threatened breach by Executive of Section 12.0, Section 13.0 and/or Section 14.0 would be difficult if not impossible to ascertain and an inadequate remedy, and it is therefore agreed that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief enjoining any such threatened or actual breach, without any requirement to post bond or provide similar security or to prove actual damages. The existence of this right shall not preclude the Company from pursuing any other rights and remedies at law or in equity that the Company may have, including recovery of damages for any breach of such Sections.

Section 15.03. *Right to Cancel Payments*.

(a) In addition to the remedies set forth above in Sections 15.01 and 15.02, the Company may, at the sole discretion of the Board, cancel, rescind or reduce the Severance Payment and the other payments and benefits under Sections 4.02 and 4.04 (other than the Accrued Obligations), whether vested or not, at any time, if Executive is not in compliance with all of the provisions of Section 12.0, Section 13.0 and Section 14.0.

(b) As a condition to the receipt of any payment or benefit under Sections 4.02 and 4.04 (other than the Accrued Obligations), Executive shall certify to the Company that he is in compliance with the provisions set forth above.

(c) In the event that the Company has rescinded any payments or benefits under Sections 4.02 and 4.04 pursuant to Section 15.03(a) at the time of Executive's alleged breach and the arbitrator determines that Executive has failed to comply with the provisions set forth in Section 12.0, Section 13.0 and/or Section 14.0, as finally determined by binding arbitration pursuant to Section 16.0, Executive shall pay to the Company, within 12 months of the Company's rescission of one or more such payments or benefits, the amount of any such payment(s) or benefit(s) received as a result of the rescinded payment(s) or benefit(s), without interest, in such further manner and on such further terms and conditions as may be required by the Company; and the Company shall be entitled to set-off against the amount of such payment

or benefit any amount owed to Executive by the Company or any of its subsidiaries (if permitted by Section 409A), other than wages.

(d) Executive acknowledges that the foregoing provisions are fair, equitable and reasonable for the protection of the Company's interests in a stable workforce and the time and expense the Company has incurred to develop its business and its customer and vendor relationships.

(e) Notwithstanding the foregoing or anything contained herein to the contrary, this Section 15.03 shall not apply to any payments or benefits owed to Executive in the event of a termination of employment described in Section 5.0.

16.0. Dispute Resolution; WAIVER OF JURY TRIAL.

Except for claims to enforce or otherwise relating to the Restrictive Covenants, including any claim for injunctive, declaratory or other equitable relief, which remedies may be sought in any court of competent jurisdiction:

Section 16.01. *Initial Negotiations*. The Company and Executive agree to resolve all disputes arising out of their employment relationship by the following alternative dispute resolution process: (a) the Company and Executive agree to seek a fair and prompt negotiated resolution; but if this is not possible, (b) all disputes shall be resolved by binding arbitration; provided, however, that during this process, at the request of either Party, made not later than 60 days after the initial arbitration demand, the Parties agree to attempt to resolve any dispute by non-binding, third-party intervention, including either mediation or evaluation or both but without delaying the arbitration hearing date. **BY ENTERING INTO THIS EMPLOYMENT AGREEMENT, BOTH PARTIES GIVE UP THEIR RIGHT TO HAVE THE DISPUTE DECIDED IN COURT BY A JUDGE OR JURY.**

Section 16.02. *Mandatory Arbitration*. Any controversy or claim arising out of or connected with Executive's employment or service with the Company or any of its affiliates or the termination thereof, including but not limited to claims for compensation or severance and claims of wrongful termination, age, sex or other discrimination or civil rights shall be decided by arbitration. In the event the Parties cannot agree on an arbitrator, then the arbitrator shall be selected by the administrator of the American Arbitration Association ("***AAA***") office in Salt Lake City, Utah. The arbitrator shall be an attorney with at least 15 years' experience in employment law in Idaho. Boise, Idaho shall be the site of the arbitration. All statutes of limitation, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder. Any issue about whether a controversy or claim is covered by this Employment Agreement shall be determined by the arbitrator.

Section 16.03. *Arbitration Rules*.

(a) The arbitration shall be conducted in accordance with this Employment Agreement, using as appropriate the AAA Employment Arbitration Rules and Mediation Procedures then-in-effect. The arbitrator shall not be bound by the rules of evidence or of civil

procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require both Parties to submit some or all of their respective cases by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. The Parties agree to limit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

(b) The arbitrator shall take such steps as may be necessary to hold a private hearing within 120 days after the initial request for arbitration; and the arbitrator's written decision shall be made not later than 14 calendar days after the hearing. The Parties agree that they have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause allow reasonable extensions or delays, which shall not affect the validity of the award. Both written discovery and depositions shall be allowed. The extent of such discovery will be determined by the Parties and any disagreements concerning the scope and extent of discovery shall be resolved by the arbitrator. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply applicable substantive law. The arbitrator may award injunctive relief or any other remedy available from a judge, including consolidation of this arbitration with any other involving common issues of law or fact which may promote judicial economy, and shall award attorneys' fees and costs to the prevailing Party in accordance with Section 17.0, but shall not have the power to award punitive or exemplary damages except where expressly authorized by statute. The Parties specifically state that the agreement to limit damages was agreed to by the Parties after negotiations.

17.0. Attorneys' Fees.

Section 17.01. *Prevailing Party Entitled to Attorneys' Fees*. In any action at law or in equity, or in arbitration, to enforce any of the provisions or rights under this Employment Agreement, the prevailing Party to such litigation, as determined by the arbitrator in accordance with the dispute resolution provisions set forth above, shall be entitled to recover from the unsuccessful Party all costs, expenses and reasonable attorneys' fees incurred therein by such prevailing Party (including, without limitation, such costs, expenses and fees on appeal), excluding, however, any time spent by Company employees, including in-house legal counsel, and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment; provided that nothing herein shall limit Executive's right to recover Executive's full attorney's fees and costs in accordance with any statute authorizing an award of such fees and costs.

Section 17.02. *Limitation on Fees*. Notwithstanding the foregoing provision, in no event shall the prevailing Party be entitled to recover an amount from the unsuccessful Party for costs, expenses and attorneys' fees that exceeds the unsuccessful Party's costs, expenses and attorneys' fees in connection with the action or proceeding.

18.0. Miscellaneous Provisions.

Section 18.01. *Prior Employment Agreements*. Executive represents and warrants that Executive's performance of all the terms of this Employment Agreement and as an executive of the Company does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Executive in confidence or in trust prior to Executive's employment by the Company. Executive has not entered into, and shall not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this Employment Agreement or which would be violated by Executive entering into, or carrying out his obligations under, this Employment Agreement. This Employment Agreement supersedes any former oral agreement and any former written agreement heretofore executed relating generally to the employment of Executive with the Company, including without limitation, the Prior Agreement.

Section 18.02. *Cooperation*. During and after Executive's employment, Executive agrees to cooperate with the Company or any of its subsidiaries in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which Executive has knowledge. Executive's cooperation may include, without limitation, being available to the Company or any of its subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any of its subsidiaries' request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company or any of its subsidiaries pertinent information, and turning over to the Company or any of its subsidiaries all relevant documents which are or may come into Executive's possession. The Company shall take into account Executive's other obligations in the case of any cooperation requested after the Termination Date. The Company shall promptly reimburse Executive for the reasonable expenses and costs incurred by him in connection with such cooperation to the extent approved in advance in writing by the Company, and, if any such cooperation is provided after the Termination Date at a time when Executive is not receiving any severance payments under this Employment Agreement, shall compensate Executive for Executive's time in providing such cooperation at Executive's hourly Base Salary rate (based on an eight (8) hour work day) as in effect on the Termination Date (provided that no such compensation shall be paid with respect to Executive's testimony as a witness). For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse Executive for any attorneys' fees or related costs Executive may incur absent advance written approval by the Company.

Section 18.03. *Assignment; Binding Effect*. This Employment Agreement may be assigned in whole or in part by the Company or its successors, but may not be assigned by Executive in whole or in part. Notwithstanding the foregoing, this Employment Agreement shall inure to the benefit of and be enforceable by Executive's personal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amounts under this Employment Agreement are owed to him based on events occurring on or prior to such death, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Employment Agreement to Executive's estate.

Section 18.04. *Headings*. Headings used in this Employment Agreement are for convenience only and shall not be used to interpret or construe its provisions.

Section 18.05. *Waiver*. No provision of this Employment Agreement may be waived or discharged unless such waiver or discharge is agreed to in writing and signed by the Company and Executive. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Employment Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

Section 18.06. *Amendments*. No amendments or variations of the terms and conditions of this Employment Agreement shall be valid unless the same is in writing and signed by the Parties hereto.

Section 18.07. *Severability*. The invalidity or unenforceability of any provision of this Employment Agreement, whether in whole or in part, shall not in any way affect the validity and/or enforceability of any other provision contained herein. Any invalid or unenforceable provision shall be deemed severable to the extent of any such invalidity or unenforceability. It is expressly understood and agreed that while the Company and Executive consider the restrictions contained in this Employment Agreement reasonable for the purpose of preserving for the Company the goodwill, other proprietary rights and intangible business value of the Company, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in this Employment Agreement is an unreasonable or otherwise unenforceable restriction against Executive, the provisions of such clause shall not be rendered void but shall be deemed amended to apply as to maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable.

Section 18.08. *Governing Law*. This Employment Agreement shall be construed and enforced pursuant to the laws of the State of Idaho, applied without reference to principles of conflicts of law.

Section 18.09. *Executive Officer Status*. Executive acknowledges that he may be deemed to be an "executive officer" of the Company for purposes of the Securities Act of 1933, as amended (the "***1933 Act***"), and the 1934 Act and, if so, he shall comply in all respects with all the rules and regulations under the 1933 Act and the 1934 Act applicable to him in a timely and non-delinquent manner. In order to assist the Company in complying with its obligations under the 1933 Act and 1934 Act, Executive shall provide to the Company such information about Executive as the Company shall reasonably request including, but not limited to, information relating to personal history and stockholdings. Executive shall report to the Secretary of the Company or other designated officer of the Company all changes in beneficial ownership of any shares of the Company's Common Stock deemed to be beneficially owned by Executive and/or any members of Executive's immediate family. Executive further agrees to comply with all requirements placed on him by the Sarbanes-Oxley Act of 2002, Public Law 107-204.

Section 18.10. *Tax Withholding*. To the extent required by law, the Company shall deduct or withhold from any payments under this Employment Agreement all applicable federal,

state and local income taxes, Social Security, Medicare, unemployment tax and other amounts that the Company determines in good faith are required by law to be withheld.

Section 18.11. *Counterparts*. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document.

Section 18.12. *Retention of Counsel*. Executive acknowledges that he has had the opportunity to review this Employment Agreement and the transactions contemplated hereby with his own legal counsel.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Employment Agreement has been duly executed by the Company and Executive as of the date first above written.

EXECUTIVE:

/s/ Eric L. Gerratt
ERIC L. GERRATT

COMPANY:

US ECOLOGY, INC.

By: /s/ Jeffrey R. Feeler
Name: Jeffrey R. Feeler
Title: PRESIDENT AND CHIEF EXECUTIVE OFFICER

Exhibit 10.15

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (this "***Employment Agreement***") is made and entered into effective as of the 22nd day of December, 2020 (the "***Effective Date***"), by and between US ECOLOGY, INC., a Delaware corporation (the "***Company***"), and STEVEN D. WELLING ("***Executive***"). The Company and Executive are sometimes collectively referred to herein as the "***Parties***," and individually, as a "***Party***."

WHEREAS, immediately prior to the Effective Date, Executive rendered valuable services to the Company in the capacity of Executive Vice President of Sales and Marketing, pursuant to an Executive Employment Agreement, dated February 25, 2016 (the "***Prior Agreement***"); and

WHEREAS, the Parties desire to amend and restate the Prior Agreement in its entirety as set forth herein and to continue Executive's employment with the Company as Executive Vice President of Sales and Marketing on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1.0. Employment.

Section 1.01. *Employment*. The Company hereby employs Executive, and Executive hereby accepts employment with the Company, all upon the terms and subject to the conditions set forth in this Employment Agreement, effective as of the Effective Date first set forth above.

Section 1.02. *Term of Employment*. The term of employment of Executive by the Company pursuant to this Employment Agreement shall be for the period commencing on the Effective Date and ending December 31, 2021 (the "***Employment Term***"), or such earlier date that Executive's employment is terminated in accordance with the provisions of this Employment Agreement; provided, however, that the Employment Term shall automatically renew for additional one year periods if neither the Company nor Executive has notified the other in writing of its or his intention not to renew this Employment Agreement on or before 60 days prior to the expiration of the Employment Term (including any renewal(s) thereof).

Section 1.03. *Capacity and Duties*. During the Employment Term, Executive is and shall be employed in the capacity of Executive Vice President of Sales and Marketing of the Company and its subsidiaries, and shall have such other duties, responsibilities and authorities as may be assigned to him from time to time by the President and Chief Executive Officer ("***CEO***") and the Board of Directors of the Company (the "***Board***"), which are not materially inconsistent with Executive's positions with the Company. Except as otherwise herein provided, Executive shall devote his entire business time, best efforts and attention to promote and advance the business of the Company and its subsidiaries and to perform diligently and faithfully all the

duties, responsibilities and obligations of Executive to be performed by him under this Employment Agreement. Upon termination of Executive's employment for any reason, unless otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further action by Executive, as of the end of Executive's employment, and Executive, at the Board's request, will execute any documents necessary to reflect his resignation.

Section 1.04. *Place of Employment*. Executive's principal place of work shall be his home office, currently located in El Dorado Hills, California.

Section 1.05. *No Other Employment*. During the Employment Term, Executive shall not be employed in any other business activity, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided, however, that this restriction shall not be construed as preventing Executive from (i) participating in charitable, civic, educational, professional, community or industry affairs; (ii) sitting on one outside board of directors for a public or private company that does not compete with the Company, with the prior concurrence of the Board that the required time commitment with respect to such position is acceptable; and (iii) investing his personal assets in a business which does not compete with the Company or its subsidiaries or with any other company or entity affiliated with the Company, where the form or manner of such investment will not require services on the part of Executive in the operation of the affairs of the business in which such investment is made and in which his participation is solely that of a passive investor or advisor, so long as the activities in clauses (i), (ii) and (iii), above, do not materially interfere with the performance of Executive's duties hereunder or create a potential business conflict or the appearance thereof.

Section 1.06. *Adherence to Standards*. Executive shall comply with the written policies, standards, rules and regulations of the Company from time to time established for all executive officers of the Company consistent with Executive's position and level of authority, including, without limitation, policies relating to stock ownership guidelines, clawback of compensation, hedging and pledging of securities and insider trading.

Section 1.07. *Review of Performance*. The CEO shall periodically review and evaluate with Executive his performance under this Employment Agreement.

2.0. Compensation.

During the Employment Term, subject to all the terms and conditions of this Employment Agreement and as compensation for all services to be rendered by Executive hereunder, the Company shall pay to or provide Executive with the following:

Section 2.01. *Base Salary*. During the Employment Term, the Company shall pay to Executive an annual base salary ("***Base Salary***") in an amount not less than Four Hundred Twenty-Five Thousand and No/100 Dollars ($425,000.00). Such Base Salary shall be payable in accordance with the regular payroll practices and procedures of the Company.

Section 2.02. *Incentive Pay*. During the Employment Term, Executive shall be eligible to participate in any cash incentive or bonus plans of the Company which are in effect for executives from time to time, including the annual cash incentive payment opportunity granted to Executive under the Company's Management Incentive Plan ("***MIP***," and together with any other cash incentive or bonus plans of the Company in which Executive participates, the "***Cash Incentive Plans***"), subject to the terms and conditions thereof, at a minimum 75% of Base Salary ("***Target Bonus***") at a 100% of MIP target basis, with such MIP target to be set annually by the Board. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate any or all of its Cash Incentive Plans at any time. In the event of any inconsistency between the terms of this Employment Agreement and the terms of any Cash Incentive Plan, the Cash Incentive Plan shall govern and control; provided, however, that any amount owed to Executive under a Cash Incentive Plan in accordance with the terms thereof shall be paid to Executive no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 2.03. *Paid Time Off and Other Benefits*. During the Employment Term, Executive shall be entitled to Paid Time Off ("***PTO***") consistent with the Company's policy for senior executives (as in effect from time to time), and shall have the right, on the same basis as other members of senior management of the Company, to participate in any and all employee benefit plans and programs of the Company, including medical plans and other benefit plans and programs as shall be, from time to time, in effect for executive employees and senior management personnel of the Company. Such participation shall be subject to the terms of the applicable plan documents, generally applicable Company policies and the discretion of the Board or any administrative or other committee provided for in, or contemplated by, each such plan or program. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate such benefit plans and programs at any time, including, without limitation, any modification of the Company's PTO policy.

Section 2.04. *Expenses*. The Company shall reimburse Executive for all reasonable, ordinary and necessary business expenses including, but not limited to, automobile and other business travel and customer and business entertainment expenses incurred by him during the Employment Term in connection with his employment in accordance with the Company's expense reimbursement policy; provided, however, Executive shall render to the Company a complete and accurate accounting of all such business expenses in accordance with the substantiation requirements of the Internal Revenue Code of 1986, as amended (the "***Code***"). Executive's right to reimbursement hereunder may not be liquidated or exchanged for any other benefit, the amount of expenses eligible for reimbursement hereunder in a calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year, and Executive shall be reimbursed for eligible expenses no later than the close of the calendar year immediately following the calendar year in which Executive incurs the applicable expense.

3.0. Termination of Employment.

Section 3.01. *Termination of Employment*. Executive's employment and the Employment Term may be terminated prior to expiration of the Employment Term as follows (with the date of termination being referred to hereinafter as the "***Termination Date***"):

(a) By either Party by delivering 60 days' prior written notice of non-renewal as set forth in Section 1.02 above;

(b) Upon no less than 30 days' written notice from the Company to Executive at any time without Cause (as hereinafter defined) and other than due to Executive's death or Disability, subject to the provisions of Section 4.02 below;

(c) By the Company for Cause (as hereinafter defined) immediately upon written notice stating the basis for such termination;

(d) Immediately upon the death of Executive;

(e) Due to the Disability (as hereinafter defined) of Executive;

(f) By Executive due to Retirement (as hereinafter defined) upon 90 days' prior written notice to the Company stating that Executive does not intend to engage in full-time employment following such termination of employment;

(g) By Executive at any time with or without Good Reason (as hereinafter defined), other than due to Retirement, upon 30 days' written notice from Executive to the Company (or such shorter period to which the Company may agree); or

(h) Upon the mutual agreement of the Company and Executive.

Section 3.02. *Certain Definitions*. For purposes of this Employment Agreement, the following terms have the meanings set forth below:

(a) "***Cause***" shall mean, by reason of a determination by two-thirds (2/3) of the members of the Board (excluding, for all such purposes, Executive, if Executive is a member of the Board) voting, that Executive:

(i) Has engaged in willful neglect (other than neglect resulting from his incapacity due to physical or mental illness) of Executive's duties or willful misconduct in the performance of his duties for the Company under this Employment Agreement, or has willfully violated any material written policy of the Company;

(ii) Has engaged in willful or grossly negligent conduct the consequences of which are materially adverse to the Company, monetarily or otherwise;

(iii) Has failed to follow the lawful instructions of the CEO or the Board that are consistent with his position as Executive Vice President of Sales and Marketing;

(iv) Has materially breached the terms of this Employment Agreement, and such breach persisted after notice thereof from the Company and a reasonable opportunity to cure; or

(v) Has been convicted of (or has plead guilty or no contest to) any felony (other than a traffic violation) or any misdemeanor involving moral turpitude.

(b) "***Disability***" shall mean that, as a result of Executive's incapacity due to physical or mental illness, Executive is considered disabled under the Company's Long-Term Disability Plan or, in the absence of such plan, Executive is unable (without reasonable accommodation), as determined by the Board in good faith, to perform Executive's essential duties, responsibilities and functions under this Employment Agreement for a period of 180 days during any 12 consecutive months.

(c) "***Good Reason***" shall mean the occurrence of any of the following without Executive's prior written consent during the Employment Term:

(i) Any material diminution or adverse change in Executive's title, authority, responsibilities or duties under this Employment Agreement which are materially inconsistent with his title, authority, responsibilities or duties set forth in this Employment Agreement, or any removal of Executive from, or failure to appoint, elect, reappoint or reelect Executive to, any of his positions, except in connection with the termination of his employment with or without Cause, or as a result of his death or Disability;

(ii) The exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to the failure to continue such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such termination is required by law, or applies to all of the Company's executive officers and/or employees generally.

(iii) The failure by the Company to include or continue Executive's participation in any material employee benefit plan (including any medical, hospitalization, life insurance or disability benefit plan in which Executive participates or in which other Company executives participate), or any material fringe benefit or

prerequisite enjoyed by him unless an equitable arrangement (embodied in an ongoing substitute or alternative plan, if applicable) has been made with respect to the failure to include Executive in such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder, or the failure by the Company to provide him with the benefits to which he is entitled under this Employment Agreement; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any employee benefit plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such exclusion is required by law, or applies to all of the Company's executive officers and/or employees generally;

(iv) Any material breach by the Company of any provision of this Employment Agreement; or

(v) The relocation of the main corporate office of the Company beyond a 50 mile radius from Boise, Idaho or beyond a fifty (50) mile radius from Executive's primary place of employment if not in the corporate office, in each case which materially increases Executive's commute.

Notwithstanding any other provision of this Employment Agreement to the contrary, Executive shall be deemed not to have terminated his employment for Good Reason unless (i) Executive notifies the Board in writing of the condition that Executive believes constitutes Good Reason within 90 days after the initial existence thereof (which notice specifically identifies such condition and the details regarding its existence), (ii) the Company fails to remedy such condition within 30 days after the date on which the Board receives such notice (the "***Remedial Period***"), and (iii) Executive terminates employment with the Company (and its subsidiaries and affiliates) within 60 days after the end of the Remedial Period. The failure by Executive to include in the notice any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder.

(d) "***Retirement***" shall mean Executive's termination of employment with the Company and its subsidiaries for any reason (other than for Cause, or when grounds for Cause exist, or due to Executive's death) after attaining age [52] and having been employed by the Company or its subsidiaries for not less than 10 consecutive years as of immediately prior to such termination of employment.

4.0. Payments and Benefits Upon Termination of Employment.

Section 4.01. *Termination by the Company For Cause or by Executive Without Good Reason.* If Executive's employment and the Employment Term are terminated by the Company for Cause or by Executive without Good Reason (but not due to Retirement), the Company shall pay Executive the Accrued Obligations (as hereinafter defined) (other than, however, any amounts due under any Cash Incentive Plan which shall be forfeited pursuant to

the terms of such plan), in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law).

Section 4.02. *Termination by the Company Without Cause or by Executive For Good Reason*. Subject to Section 5.0 below, if Executive's employment and the Employment Term are terminated by the Company without Cause or if Executive terminates his employment and the Employment Term for Good Reason, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, subject to Sections 5.0, 6.0 and 7.0, in the event of such a termination, Executive shall be entitled to receive the following:

(i) an amount equal to the sum of two year's Base Salary and two times Target Bonus ("***Severance Payment***"), which shall be payable during the two year period immediately following the Termination Date as provided below;

(ii) continued vesting of outstanding stock options and stock appreciation rights for a period of two years following the Termination Date, with any stock option and stock appreciation right held by Executive immediately prior to such termination that is, or becomes, vested to remain exercisable until the earlier of the second anniversary of the Termination Date and the original expiration date of such stock option or stock appreciation right (as applicable);

(iii) immediate vesting of any restricted stock grants that would have vested during the two-year period immediately following the Termination Date;

(iv) continued vesting of restricted stock unit grants for a period of two years following the Termination Date in the same manner as if no such termination had occurred;

(v) continued vesting of performance stock and performance stock units in the same manner as if no termination of employment had occurred, with payment calculated based on actual performance but with vesting to be pro-rated based on the number of days from the start of the performance period through the second anniversary of the Termination Date in relation to the total number of days in the performance period (provided that such pro-ration shall not result in a pro-ration factor greater than 1);

(vi) reimbursement of Executive's and his eligible dependents' insurance premiums pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") under the Company's medical, dental and vision plans if Executive and Executive's eligible dependents are eligible for, and timely elect, COBRA continuation coverage, with such reimbursements to be provided for a period of the lesser

of 18 months immediately following the Termination Date or the date Executive or such dependent receives similar or comparable coverage from a new employer, a spouse or the employer of a spouse; provided, however, that the Company may unilaterally amend this clause (v) or eliminate the benefit provided hereunder to the extent it deems necessary to avoid the imposition of excise taxes, penalties or similar charges on the Company or any of its subsidiaries or affiliates, including, without limitation, under Code Section 4980D, or to the extent that this provision violates applicable law or non-discrimination rules (Executive understands that such COBRA reimbursement may be treated as taxable, in which case, Executive shall be grossed-up for such taxes in accordance with Section 409A);

(vii) 6 monthly payments each in an amount equal to the greater of (x) two (2) times the monthly COBRA insurance premiums as of the Termination Date under the Company's medical, dental and vision plans and (y) $5,000, in either case as compensation for Executive's loss of participation in certain of the Company's employee benefit plans, which shall commence on the first payroll date following the 18-month anniversary of the Termination Date; and

(viii) 24 monthly cash payments each in an amount equal to two (2) times the monthly premiums as of the Termination Date for the life insurance and long-term disability insurance coverage under the Company's life insurance and long-term disability plans covering Executive as of immediately prior to the Termination Date (the "***L&D Payments***"), which shall be payable during the two year period immediately following the Termination Date as provided below.

All payments and benefits under this Section 4.02 (other than the Accrued Obligations) shall be conditional on Executive's timely execution and non-revocation of the Release (as defined in Section 6.0) and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0. Payment of the Severance Payment and the L&D Payments shall be made in substantially equal installments in accordance with the regular payroll practices and procedures of the Company commencing on the first payroll date occurring after Executive's Release becomes effective (but not later than sixty (60) days after the Termination Date); provided, however, that the first such payment shall include any installments that would have been made on previous payroll dates but for the requirement that Executive execute a Release. For the avoidance of doubt, a termination of employment pursuant to Section 3.01(a) by notice of non-renewal by the Company for any reason other than Cause, shall be deemed a termination of employment by the Company without Cause for purposes of this Section 4.02 and Section 5, as applicable.

Section 4.03. *Termination Due to Death*. If Executive's employment and the Employment Term are terminated due to Executive's death, the Company shall pay the estate of Executive the Accrued Obligations in a single, lump-sum payment within 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested

stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock and performance stock units will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units and performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (iii) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date.

Section 4.04. *Termination Due to Disability*. If Executive's employment and the Employment Term are terminated due to his Disability, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, performance stock and performance stock units (but only performance stock units that are not subject to Section 409A (as hereinafter defined)) will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units will continue to vest for a period of two years following the Termination Date in the same manner as if no such termination had occurred (provided that if such termination occurs within 24 months after a Change of Control, any restricted stock units granted after the Effective Date will vest in full upon such termination and shall be settled within 30 days thereafter), (iii) any performance stock units that are subject to Section 409A will continue to vest in the same manner as if no such termination of employment had occurred, with performance deemed achieved at target (provided that if such termination occurs within 24 months after a Change of Control, any performance stock units that are subject to Section 409A granted after the Effective Date will vest in full upon such termination with performance being deemed achieved at target and shall be settled within 30 days thereafter), (iv) all performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (v) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date; provided, however, that such continued vesting and exercisability of any restricted stock, restricted stock units, stock options, stock appreciation rights, performance stock units and performance stock under this Section 4.04 shall be conditional on Executive's timely execution and non-revocation of the Release and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0 below.

Section 4.05. *Retirement*. If Executive's employment and the Employment Term are terminated by virtue of Executive's Retirement, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 4.06. *Definition of Accrued Obligations*. "***Accrued Obligations***" shall mean (i) any earned but unpaid Base Salary through the Termination Date and any PTO that is accrued but unused as of the Termination Date (with such accrual determined in accordance with the Company's PTO policy); (ii) any unreimbursed business expenses incurred through the Termination Date that are otherwise reimbursable in accordance with Company policy; (iii) all other payments, benefits or fringe benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Employment Agreement; and (iv) subject to forfeiture of any such payments under the terms of the applicable Cash Incentive Plan (x) to the extent unpaid, any cash incentive earned under any Cash Incentive Plan for the fiscal year prior to the year in which Executive's termination occurs and (y) any cash incentive earned under any Cash Incentive Plan in the year of Executive's termination of employment based on actual results over the entire performance period and shall be paid on a pro-rata basis based on days employed during the fiscal year of such plan if any. With respect to clause (iv)(y) of this Section 4.06, for the sake of clarity and by way of example only, if Executive is employed for 270 days of a fiscal year and the management incentive plan in place at the time pays out 100% of target, Executive would be owed 74% (270/365) of any incentive payments to which he would have been entitled had his employment not been terminated. Such payments under clause (iv) hereof shall be made in accordance with the terms of any Cash Incentive Plan in effect at the time, except that any requirement that the recipient must be an employee at the time of payment shall be waived by the Company under this policy.

5.0. Payment and Benefits Upon Certain Terminations in Connection with a Change of Control.

Section 5.01. *Change of Control Severance Benefits*. Subject to Sections 6.0 and 7.0 below, if within 24 months after a Change of Control, Executive's employment and the Employment Term are terminated by the Company without Cause (but not due to death or Disability) or by Executive for Good Reason, then Executive shall receive:

(i) in lieu of the Severance Payment, a payment equal to two times the sum of (x) his annual Base Salary; and (y) the *greater of* (a) any earned but unpaid amount due under any Cash Incentive Plan (as determined by the terms of the Cash Incentive Plan); and (b) Executive's Target Bonus amount (collectively, the "***Change of Control Payment***");

(ii) the payments and benefits set forth in clauses (vi), (vii) and (viii) of Section 4.02 at the times provided therein;

(iii) full vesting of all unvested stock options, stock appreciation rights, restricted stock, restricted stock units (but only to the extent such restricted stock units are granted after the Effective Date), performance stock units (but only to the extent such performance stock units (x) are not subject to Section 409A or (y) are subject to Section 409A but are granted after the Effective Date) and performance stock (with all stock options and stock appreciation rights to remain exercisable through their normal expiration date, with performance with respect to any performance-based awards to be

deemed achieved at target and with all restricted stock units and performance stock units that become vested under this clause (iii) to be settled within 30 days after the Termination Date), provided, however, that if unvested stock options, stock appreciation rights, restricted stock, performance stock units (to the extent not subject to Section 409A) and performance stock held by Executive are not continued, substituted for or assumed by the successor company in connection with a Change of Control, such awards shall immediately vest upon the Change of Control;

(iv) with respect to any restricted stock units that are outstanding on the Effective Date, continued vesting of such restricted stock units in the same manner as if no such termination of employment had occurred; and

(v) with respect to any performance stock units that are subject to Section 409A that are outstanding on the Effective Date, continued vesting of such performance stock units in the same manner as if no such termination of employment had occurred (with payment based on target performance).

The Change of Control Payment shall be paid in a single lump-sum payment on the first payroll date after the effective date of the Release, but in any event within 60 days after the Termination Date.

In the event of a termination described in this Section 5.0, Executive also shall be entitled to receive the Accrued Obligations (to be provided in accordance with Section 4.02).

In the event of an inconsistency between this Section 5.0 and Section 4.02, this Section 5.0 shall govern and control.

Section 5.02. *Definition of Change of Control*. A "**Change of Control**" shall be deemed to have occurred upon:

(i) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "***Business Combination***"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 60% of the combined voting power of the then-outstanding securities of the entity resulting from such Business Combination; provided, however, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) The sale, transfer, or other disposition of all or substantially all of the Company's assets;

(iii) Any transaction as a result of which any person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "***1934 Act***")), directly or indirectly, of securities of the Company representing more than 30% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this subparagraph (iii), the term "person" shall have the same meaning as when used in sections

13 and 14(d) of the 1934 Act, but shall exclude (x) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a subsidiary; (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company; and (z) any person or entity owning more than 30% of the total voting power represented by the Company's then outstanding voting securities immediately prior to such transaction; or

(iv) A change in the composition of the Board in any 12-month period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***" shall mean directors who either (a) are directors of the Company as of the start of the period or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing or anything contained herein to the contrary, no transaction or event shall be a Change of Control unless it also satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii).

6.0. Release.

Executive's entitlement to the payments and benefits described in Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, other than the Accrued Obligations, is subject to and conditioned upon Executive's timely execution, without subsequent revocation, of a release of claims in favor of the Company and its subsidiaries and affiliates in form and substance satisfactory to the Company (the "***Release***"); provided, however, that notwithstanding the foregoing, the Release is not intended to and will not waive Executive's rights: (i) to indemnification pursuant to any applicable provision of the Company's Bylaws or Certificate of Incorporation, as amended, pursuant to any written indemnification agreement between Executive and the Company, or pursuant to applicable law; (ii) to vested benefits or payments specifically to be provided to Executive under this Employment Agreement or any Company employee benefit plans or policies; or (iii) respecting any claims Executive may have solely by virtue of Executive's status as a stockholder of the Company. The Release also shall not impose any restrictive covenant on Executive's conduct post-termination that Executive had not agreed to prior to Executive's termination in this Agreement or otherwise or include claims that an employee cannot lawfully release through execution of a general release of claims.

To be timely, the Release must become effective (i.e., Executive must sign it and any revocation period must expire without Executive revoking the Release) within 60 days, or such shorter period specified in the Release, after Executive's date of termination of employment. If the Release does not become effective within such time period, then Executive shall not be entitled to such payments and benefits. The Company is obligated to provide Executive the Release within 7 calendar days after the Termination Date and Executive shall have a minimum of 21 calendar days to review and comment on the Release.

Notwithstanding anything contained in this Employment Agreement to the contrary, if payment or provision of any amounts under Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, on which Executive's execution and non-revocation of the Release is conditioned, could commence in more than one calendar year based on when the Release could be executed (regardless of when the Release is executed), then to the extent any such amounts are treated as nonqualified deferred compensation under Section 409A (as hereinafter defined) any such amounts that otherwise would have been paid or provided in such first calendar year instead shall be withheld and paid or provided on the first payroll date in such second calendar year with all remaining payments and benefits to be made as if no such delay had occurred.

7.0. Compliance With Section 409A.

Section 7.01. *General*. The provisions of this Employment Agreement are intended to comply with the requirements of Section 409A of the Code and any regulations and official guidance promulgated thereunder ("***Section 409A***") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be interpreted in accordance with Section 409A. Any payments that qualify for the "short-term deferral" exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Employment Agreement shall be treated as a separate payment of compensation for purposes of Section 409A and a right to a series of installment payments under this Employment Agreement (including pursuant to Section 4.02) shall be treated as a right to a series of separate and distinct payments. All payments to be made upon a termination of employment under this Employment Agreement that are treated as nonqualified deferred compensation under Section 409A may only be made upon a "separation from service" under Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Employment Agreement. For purposes of this Employment Agreement, a termination of Executive's employment as a result of Disability, by the Company without Cause or by Executive for Good Reason, in each case, is intended to constitute an "involuntary separation" within the meaning of, and for purposes of, Section 409A, and this Employment Agreement shall be interpreted accordingly.

Section 7.02. *In-Kind Benefits and Reimbursements*. Notwithstanding anything to the contrary in this Employment Agreement, all reimbursements and in-kind benefits provided hereunder shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified herein); (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to Executive as described in Treasury Regulation Section 1.409A-3(i)(1)(iv)(B); (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year immediately following the calendar year in which the expense is incurred, *provided* that reimbursement shall be made only if Executive has submitted an invoice for such expenses at least 10 days before the end of the calendar year

immediately following the calendar year in which such expenses were incurred; and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Section 7.03. *Delay of Payments*. Notwithstanding any other provision of this Employment Agreement to the contrary, if Executive is considered a "specified employee" for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination of employment), any payment that constitutes nonqualified deferred compensation within the meaning of Section 409A that is otherwise due to Executive hereunder during the six-month period immediately following Executive's separation from service (as determined in accordance with Section 409A) on account of Executive's separation from service shall be accumulated and paid to Executive on the first business day after the date that is six months immediately following Executive's separation from service (the "***Delayed Payment Date***"). Executive shall be entitled to interest (at a per annum rate equal to the highest rate of interest applicable to six-month non-callable certificates of deposit with daily compounding offered by the following institutions: Citibank, N.A., Wells Fargo Bank, N.A. or Bank of America, on the date of such separation from service) on any cash payments so delayed from the scheduled date of payment to the Delayed Payment Date. If Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of Executive's estate on the first to occur of the Delayed Payment Date or 30 days after the date of Executive's death.

Section 7.04. *Cooperation*. Executive and the Company agree to work together in good faith to consider amendments to this Employment Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

Section 7.05. *No Liability*. Notwithstanding anything contained in this Employment Agreement to the contrary, neither the Company nor any of its subsidiaries or affiliates shall have any liability or obligation to Executive or to any other person or entity in the event that this Employment Agreement, or any of the payments or benefits provided under this Employment Agreement, does not comply with, or is not exempt from, Section 409A.

8.0. Limitation on Payments.

Notwithstanding any other provision of this Employment Agreement or any other agreement or arrangement between Executive and the Company or any of its affiliates, in the event that the payments and other benefits provided for in this Employment Agreement, together with all other payments and benefits that Executive receives or is entitled to receive from the Company or any of its subsidiaries, (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8.0, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent as would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduction in payments and benefits constituting "parachute payments" is necessary so that payments and benefits are delivered to a lesser extent under Section 8.0(b) hereof, reduction shall occur in the following order: (i) reduction of cash severance payments (reduced from the latest scheduled payments to the earliest scheduled payments); (ii) cancellation of any equity awards that are included under Section 280G of the Code at full value rather than accelerated value (reduced from highest value to lowest value under Section 280G of the Code and, if such values are the same, from latest to earliest scheduled vesting dates); (iii) cancellation of the accelerated vesting of any equity awards included under Section 280G of the Code at an accelerated value (and not at full value), which shall be reduced with the highest value reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) (and if such values are the same, from latest to earliest vesting dates); and (iv) reduction of any other non-cash benefits (including the value of the accelerated payment of any cash payments), reduced in the order of highest to lowest value under Code Section 280G (and if such values are the same, from latest to earliest payment dates); provided, in each case, that any such reduction shall be made in a manner consistent with the requirements of Section 409A. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8.0 will be made in writing by an independent, nationally recognized accounting firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8.0, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 8.0. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 8.0.

9.0. Return of Property.

Executive agrees, upon the termination of his employment with the Company or upon the earlier written request of the Company, to return to the Company all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including without limitation, computerized and/or electronic information that refers, relates or otherwise pertains to the Company and/or its subsidiaries, and any and all business dealings of said persons and entities. In addition, Executive shall return to the Company all property and equipment that Executive has been issued during the course of his employment or which he otherwise then possesses or has control over, including but not limited to, any computers, cellular phones, personal digital assistants, pagers and/or similar items. Executive shall immediately deliver to the Company any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files, materials, property and equipment that are in Executive's possession or control. Executive further agrees that he will immediately forward to the Company any business information regarding the Company and/or its subsidiaries that has been or is inadvertently directed to Executive following his last day of employment with

the Company. The provisions of this Section 9.0 are in addition to any other written agreements on this subject that Executive may have with the Company and/or its subsidiaries, and are not meant to and do not excuse any additional obligations that Executive may have under such agreements.

10.0. Notices.

For the purposes of this Employment Agreement, notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by expedited (overnight) courier with established national reputation, shipping prepaid or billed to sender, in either case addressed to the respective addresses last given by each Party to the other (provided that all notices to the Company shall be directed to the attention of the CEO) or to such other address as either Party may have furnished to the other in writing in accordance herewith. All notices and communications shall be deemed to have been received on the date of delivery thereof, or on the second day after deposit thereof with an expedited courier service, except that notice of change of address shall be effective only upon receipt. Notices shall be addressed as follows:

If to the Company:

101 S. Capitol Blvd., Suite 1000
Boise, Idaho 83702

If to Executive:

As on file with the Company's Corporate Secretary

11.0. Life Insurance.

The Company may, at any time after the execution of this Employment Agreement, apply for and procure as owner and for its own benefit, life insurance on Executive, in such amounts and in such form or forms as the Company may determine. Executive shall, at the request of the Company, submit to such medical examinations, supply such information, and execute such documents as may be required by the insurance company or companies to whom the Company has applied for such insurance.

12.0. Confidentiality.

Executive agrees not to disclose or reveal to any person or entity outside the Company or any of its subsidiaries any confidential, trade secret, proprietary or other non-public information concerning the Company, any of its subsidiaries or any of the businesses or operations of the Company or any of its subsidiaries ("***Confidential Information***"), including all information relating to any Company or subsidiary product, process, equipment, machinery, design, formula, business plan or strategy, or other activity without prior permission of the Company in writing.

Confidential Information shall not include any information which is in the public domain or becomes publicly known, in either case, through no wrongful act on the part of Executive or breach of this Employment Agreement. Executive acknowledges that the Confidential Information is vital, sensitive, confidential and proprietary to the Company or its subsidiaries. The obligation to protect the secrecy of such information continues after employment with Company or any of its subsidiaries may be terminated. In furtherance of this agreement, Executive acknowledges that all Confidential Information which Executive now possesses, or shall hereafter acquire, concerning and pertaining to the business and secrets of the Company or any of its subsidiaries and all inventions or discoveries made or developed, or suggested by or to Executive during said term of employment relating to the Company's or any of its subsidiaries' business shall, at all times and for all purposes, be regarded as acquired and held by Executive in his fiduciary capacity and solely for the benefit of the Company or any of its subsidiaries.

Pursuant to 18 U.S.C. § 1833(b), Executive understands that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to his attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if he files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, he may disclose the trade secret to his attorney and use the trade secret information in the court proceeding if he (I) files any document containing the trade secret under seal, and (II) does not disclose the trade secret, except pursuant to court order. Nothing in this Employment Agreement, or any other agreement that Executive has with the Company, is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Employment Agreement or any other agreement that Executive has with the Company or any of its affiliates shall prohibit or restrict him from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

13.0. Work Product Assignment.

Executive agrees that all inventions, innovations, discoveries, improvements, technical information, systems, software developments, methods, designs, analyses, data, drawings, reports, works of authorship, service marks, trademarks, trade names, logos and all similar or related information or developments (whether patentable or unpatentable) which relate to the actual or anticipated business, research and development or existing or future products or services of the Company or of any of its subsidiaries or affiliates, and which are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company, together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing and any other intellectual property right or other proprietary rights in any of the foregoing (collectively referred to herein as the "***Work Product***"), are in all instances the exclusive property of the Company, and Executive hereby irrevocably assigns to the Company

all Work Product and all of his interest therein, including all rights to claim and recover damages and/or injunctive relief for past, present, and future infringement or violation of any Work Product. Executive agrees to promptly make full written disclosure to the Company of any and all Work Product. Executive will promptly perform all actions reasonably requested by the Board (whether during or after his employment with the Company) to establish and confirm the ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney and other instruments) by the Company or its subsidiaries or affiliates, as applicable, and to provide reasonable assistance to the Company or any of its subsidiaries and affiliates in connection with the prosecution of any applications for patents, trademarks, trade names, service marks or reissues thereof or other intellectual property rights, or in the prosecution, maintenance, enforcement and defense of any intellectual property rights or other proprietary rights in any Work Product. Without limiting the foregoing, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and on Executive's behalf to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by Executive.

14.0. Covenant Not to Compete, Not to Solicit and Not to Disparage.

Section 14.01. *Acknowledgment of Executive*. Executive acknowledges that his employment with the Company has special, unique and extraordinary value to the Company; that the Company has a lawful interest in protecting its investment in entrusting its Confidential Information to him; that the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of this Employment Agreement; that in performing such services Executive would inevitably disclose the Company's Confidential Information to third parties; and that the restrictions, prohibitions and other provisions of this Section 14.0 are reasonable, fair and equitable in scope, terms, and duration to protect the legitimate business interests of the Company, and are a material inducement to the Company to enter into this Employment Agreement.

Section 14.02. *Non-Competition Covenant*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, directly or indirectly engage anywhere in the United States or any other country in which the Company conducts business (either as owner, investor, partner, stockholder, employer, employee, consultant, advisor or director) in activities on behalf of any person or entity that provides environmental or industrial products or services that are in competition with any products or services provided by the Company or any of its subsidiaries or that the Company or any of its subsidiaries had plans to provide as of the termination of Executive's employment. It is agreed that the ownership of not more than five percent (5%) of the equity securities of any company having securities listed on an exchange or regularly traded in the over-the-counter market shall not, of itself, be deemed inconsistent with this Section 14.02.

Section 14.03. *Non-Solicitation of Customers and Prospective Customers*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any customer or prospective customer of the Company or any of its subsidiaries to curtail or cancel its business with the Company or any of its subsidiaries.

Section 14.04. *Non-Solicitation of Employees*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment if the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any employee of the Company or any of its subsidiaries to terminate his or her employment.

Section 14.05. *Non-Disparagement*. Executive agrees that during Executive's employment with the Company and at all times thereafter, Executive shall not directly or indirectly through any other person, make any statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign any of the Company, its affiliates or any of their respective businesses, activities, operations or reputations or any of their respective directors, managers, officers, employees, representatives or more than 1% stockholders. The Company shall not permit any member of the Board to, or authorize or direct any employee of the Company to, make any public statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person if such statement could be reasonably construed to adversely affect the opinion any other person may have or form of such first person. The foregoing limitations shall not be violated by truthful statements made (i) to any governmental authority, (ii) which such person believes, based on the advice of counsel, are in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), (iii) in good faith in connection with any employment (or similar) performance or similar review or (iv) as necessary to defend or prosecute a claim or allegation.

15.0. <u>Remedies.</u>

Section 15.01. *Specific Performance; Costs of Enforcement*. Executive acknowledges that the covenants and agreements which he has made in this Employment Agreement are reasonable and are required for the reasonable protection of the Company, its subsidiaries and their respective businesses. Executive agrees that the breach of any covenant or agreement contained herein will result in irreparable injury to the Company and/or its subsidiaries, and that, in addition to all other remedies provided by law or in equity with respect to the breach of any provision of this Employment Agreement, the Company, its subsidiaries and

each of their respective successors and assigns will be entitled to enforce the specific performance by Executive of his obligations hereunder and to enjoin him from engaging in any activity in violation hereof and that no claim by Executive against the Company, any of its subsidiaries or any of their respective successors or assigns will constitute a defense or bar to the specific enforcement of such obligations. Executive agrees that the Company, its subsidiaries and each of their respective successors and assigns shall be entitled to recover all costs of enforcing any provision of this Employment Agreement, including, without limitation, reasonable attorneys' fees and costs of litigation. In the event of a breach by Executive of any covenant or agreement contained in Section 14.0 (other than Section 14.05), the running of the restrictive covenant periods (but not of Executive's obligations thereunder) shall be tolled during the period of the continuance of any actual breach or violation.

Section 15.02. *Additional Remedies for Breach of Restrictive Covenants*. The provisions of Section 12.0, Section 13.0, and Section 14.0 (collectively, the "***Restrictive Covenants***") are separate and distinct commitments independent of each of the other Sections. Accordingly, notwithstanding any other provision of this Employment Agreement, Executive agrees that damages in the event of a breach or a threatened breach by Executive of Section 12.0, Section 13.0 and/or Section 14.0 would be difficult if not impossible to ascertain and an inadequate remedy, and it is therefore agreed that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief enjoining any such threatened or actual breach, without any requirement to post bond or provide similar security or to prove actual damages. The existence of this right shall not preclude the Company from pursuing any other rights and remedies at law or in equity that the Company may have, including recovery of damages for any breach of such Sections.

Section 15.03. *Right to Cancel Payments*.

(a) In addition to the remedies set forth above in Sections 15.01 and 15.02, the Company may, at the sole discretion of the Board, cancel, rescind or reduce the Severance Payment and the other payments and benefits under Sections 4.02 and 4.04 (other than the Accrued Obligations), whether vested or not, at any time, if Executive is not in compliance with all of the provisions of Section 12.0, Section 13.0 and Section 14.0.

(b) As a condition to the receipt of any payment or benefit under Sections 4.02 and 4.04 (other than the Accrued Obligations), Executive shall certify to the Company that he is in compliance with the provisions set forth above.

(c) In the event that the Company has rescinded any payments or benefits under Sections 4.02 and 4.04 pursuant to Section 15.03(a) at the time of Executive's alleged breach and the arbitrator determines that Executive has failed to comply with the provisions set forth in Section 12.0, Section 13.0 and/or Section 14.0, as finally determined by binding arbitration pursuant to Section 16.0, Executive shall pay to the Company, within 12 months of the Company's rescission of one or more such payments or benefits, the amount of any such payment(s) or benefit(s) received as a result of the rescinded payment(s) or benefit(s), without interest, in such further manner and on such further terms and conditions as may be required by the Company; and the Company shall be entitled to set-off against the amount of such payment

or benefit any amount owed to Executive by the Company or any of its subsidiaries (if permitted by Section 409A), other than wages.

(d) Executive acknowledges that the foregoing provisions are fair, equitable and reasonable for the protection of the Company's interests in a stable workforce and the time and expense the Company has incurred to develop its business and its customer and vendor relationships.

(e) Notwithstanding the foregoing or anything contained herein to the contrary, this Section 15.03 shall not apply to any payments or benefits owed to Executive in the event of a termination of employment described in Section 5.0.

16.0. Dispute Resolution; WAIVER OF JURY TRIAL.

Except for claims to enforce or otherwise relating to the Restrictive Covenants, including any claim for injunctive, declaratory or other equitable relief, which remedies may be sought in any court of competent jurisdiction:

Section 16.01. *Initial Negotiations*. The Company and Executive agree to resolve all disputes arising out of their employment relationship by the following alternative dispute resolution process: (a) the Company and Executive agree to seek a fair and prompt negotiated resolution; but if this is not possible, (b) all disputes shall be resolved by binding arbitration; provided, however, that during this process, at the request of either Party, made not later than 60 days after the initial arbitration demand, the Parties agree to attempt to resolve any dispute by non-binding, third-party intervention, including either mediation or evaluation or both but without delaying the arbitration hearing date. **BY ENTERING INTO THIS EMPLOYMENT AGREEMENT, BOTH PARTIES GIVE UP THEIR RIGHT TO HAVE THE DISPUTE DECIDED IN COURT BY A JUDGE OR JURY.**

Section 16.02. *Mandatory Arbitration*. Any controversy or claim arising out of or connected with Executive's employment or service with the Company or any of its affiliates or the termination thereof, including but not limited to claims for compensation or severance and claims of wrongful termination, age, sex or other discrimination or civil rights shall be decided by arbitration. In the event the Parties cannot agree on an arbitrator, then the arbitrator shall be selected by the administrator of the American Arbitration Association ("***AAA***") office in Salt Lake City, Utah. The arbitrator shall be an attorney with at least 15 years' experience in employment law in Idaho. Boise, Idaho shall be the site of the arbitration. All statutes of limitation, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder. Any issue about whether a controversy or claim is covered by this Employment Agreement shall be determined by the arbitrator.

Section 16.03. *Arbitration Rules*.

(a) The arbitration shall be conducted in accordance with this Employment Agreement, using as appropriate the AAA Employment Arbitration Rules and Mediation Procedures then-in-effect. The arbitrator shall not be bound by the rules of evidence or of civil

procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require both Parties to submit some or all of their respective cases by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. The Parties agree to limit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

(b) The arbitrator shall take such steps as may be necessary to hold a private hearing within 120 days after the initial request for arbitration; and the arbitrator's written decision shall be made not later than 14 calendar days after the hearing. The Parties agree that they have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause allow reasonable extensions or delays, which shall not affect the validity of the award. Both written discovery and depositions shall be allowed. The extent of such discovery will be determined by the Parties and any disagreements concerning the scope and extent of discovery shall be resolved by the arbitrator. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply applicable substantive law. The arbitrator may award injunctive relief or any other remedy available from a judge, including consolidation of this arbitration with any other involving common issues of law or fact which may promote judicial economy, and shall award attorneys' fees and costs to the prevailing Party in accordance with Section 17.0, but shall not have the power to award punitive or exemplary damages except where expressly authorized by statute. The Parties specifically state that the agreement to limit damages was agreed to by the Parties after negotiations.

17.0. Attorneys' Fees.

Section 17.01. *Prevailing Party Entitled to Attorneys' Fees*. In any action at law or in equity, or in arbitration, to enforce any of the provisions or rights under this Employment Agreement, the prevailing Party to such litigation, as determined by the arbitrator in accordance with the dispute resolution provisions set forth above, shall be entitled to recover from the unsuccessful Party all costs, expenses and reasonable attorneys' fees incurred therein by such prevailing Party (including, without limitation, such costs, expenses and fees on appeal), excluding, however, any time spent by Company employees, including in-house legal counsel, and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment; provided that nothing herein shall limit Executive's right to recover Executive's full attorney's fees and costs in accordance with any statute authorizing an award of such fees and costs.

Section 17.02. *Limitation on Fees*. Notwithstanding the foregoing provision, in no event shall the prevailing Party be entitled to recover an amount from the unsuccessful Party for costs, expenses and attorneys' fees that exceeds the unsuccessful Party's costs, expenses and attorneys' fees in connection with the action or proceeding.

18.0. Miscellaneous Provisions.

Section 18.01. *Prior Employment Agreements*. Executive represents and warrants that Executive's performance of all the terms of this Employment Agreement and as an executive of the Company does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Executive in confidence or in trust prior to Executive's employment by the Company. Executive has not entered into, and shall not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this Employment Agreement or which would be violated by Executive entering into, or carrying out his obligations under, this Employment Agreement. This Employment Agreement supersedes any former oral agreement and any former written agreement heretofore executed relating generally to the employment of Executive with the Company, including without limitation, the Prior Agreement.

Section 18.02. *Cooperation*. During and after Executive's employment, Executive agrees to cooperate with the Company or any of its subsidiaries in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which Executive has knowledge. Executive's cooperation may include, without limitation, being available to the Company or any of its subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any of its subsidiaries' request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company or any of its subsidiaries pertinent information, and turning over to the Company or any of its subsidiaries all relevant documents which are or may come into Executive's possession. The Company shall take into account Executive's other obligations in the case of any cooperation requested after the Termination Date. The Company shall promptly reimburse Executive for the reasonable expenses and costs incurred by him in connection with such cooperation to the extent approved in advance in writing by the Company, and, if any such cooperation is provided after the Termination Date at a time when Executive is not receiving any severance payments under this Employment Agreement, shall compensate Executive for Executive's time in providing such cooperation at Executive's hourly Base Salary rate (based on an eight (8) hour work day) as in effect on the Termination Date (provided that no such compensation shall be paid with respect to Executive's testimony as a witness). For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse Executive for any attorneys' fees or related costs Executive may incur absent advance written approval by the Company.

Section 18.03. *Assignment; Binding Effect*. This Employment Agreement may be assigned in whole or in part by the Company or its successors, but may not be assigned by Executive in whole or in part. Notwithstanding the foregoing, this Employment Agreement shall inure to the benefit of and be enforceable by Executive's personal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amounts under this Employment Agreement are owed to him based on events occurring on or prior to such death, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Employment Agreement to Executive's estate.

Section 18.04. *Headings*. Headings used in this Employment Agreement are for convenience only and shall not be used to interpret or construe its provisions.

Section 18.05. *Waiver*. No provision of this Employment Agreement may be waived or discharged unless such waiver or discharge is agreed to in writing and signed by the Company and Executive. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Employment Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

Section 18.06. *Amendments*. No amendments or variations of the terms and conditions of this Employment Agreement shall be valid unless the same is in writing and signed by the Parties hereto.

Section 18.07. *Severability*. The invalidity or unenforceability of any provision of this Employment Agreement, whether in whole or in part, shall not in any way affect the validity and/or enforceability of any other provision contained herein. Any invalid or unenforceable provision shall be deemed severable to the extent of any such invalidity or unenforceability. It is expressly understood and agreed that while the Company and Executive consider the restrictions contained in this Employment Agreement reasonable for the purpose of preserving for the Company the goodwill, other proprietary rights and intangible business value of the Company, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in this Employment Agreement is an unreasonable or otherwise unenforceable restriction against Executive, the provisions of such clause shall not be rendered void but shall be deemed amended to apply as to maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable.

Section 18.08. *Governing Law*. This Employment Agreement shall be construed and enforced pursuant to the laws of the State of Idaho, applied without reference to principles of conflicts of law.

Section 18.09. *Executive Officer Status*. Executive acknowledges that he may be deemed to be an "executive officer" of the Company for purposes of the Securities Act of 1933, as amended (the "***1933 Act***"), and the 1934 Act and, if so, he shall comply in all respects with all the rules and regulations under the 1933 Act and the 1934 Act applicable to him in a timely and non-delinquent manner. In order to assist the Company in complying with its obligations under the 1933 Act and 1934 Act, Executive shall provide to the Company such information about Executive as the Company shall reasonably request including, but not limited to, information relating to personal history and stockholdings. Executive shall report to the Secretary of the Company or other designated officer of the Company all changes in beneficial ownership of any shares of the Company's Common Stock deemed to be beneficially owned by Executive and/or any members of Executive's immediate family. Executive further agrees to comply with all requirements placed on him by the Sarbanes-Oxley Act of 2002, Public Law 107-204.

Section 18.10. *Tax Withholding*. To the extent required by law, the Company shall deduct or withhold from any payments under this Employment Agreement all applicable federal,

state and local income taxes, Social Security, Medicare, unemployment tax and other amounts that the Company determines in good faith are required by law to be withheld.

Section 18.11. *Counterparts*. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document.

Section 18.12. *Retention of Counsel*. Executive acknowledges that he has had the opportunity to review this Employment Agreement and the transactions contemplated hereby with his own legal counsel.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Employment Agreement has been duly executed by the Company and Executive as of the date first above written.

EXECUTIVE:

/s/ Steven D. Welling
STEVEN D. WELLING

COMPANY:

US ECOLOGY, INC.

By: /s/ Jeffrey R. Feeler
Name: Jeffrey R. Feeler
Title: PRESIDENT AND CHIEF EXECUTIVE OFFICER

Exhibit 10.16

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (this "***Employment Agreement***") is made and entered into effective as of the 22nd day of December, 2020 (the "***Effective Date***"), by and between US ECOLOGY, INC., a Delaware corporation (the "***Company***"), and SIMON G. BELL ("***Executive***"). The Company and Executive are sometimes collectively referred to herein as the "***Parties***," and individually, as a "***Party***."

WHEREAS, immediately prior to the Effective Date, Executive rendered valuable services to the Company in the capacity of Executive Vice President and Chief Operating Officer, pursuant to an Executive Employment Agreement, dated February 25, 2016 (the "***Prior Agreement***"); and

WHEREAS, the Parties desire to amend and restate the Prior Agreement in its entirety as set forth herein and to continue Executive's employment with the Company as Executive Vice President and Chief Operating Officer on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1.0. Employment.

Section 1.01. *Employment*. The Company hereby employs Executive, and Executive hereby accepts employment with the Company, all upon the terms and subject to the conditions set forth in this Employment Agreement, effective as of the Effective Date first set forth above.

Section 1.02. *Term of Employment*. The term of employment of Executive by the Company pursuant to this Employment Agreement shall be for the period commencing on the Effective Date and ending December 31, 2021 (the "***Employment Term***"), or such earlier date that Executive's employment is terminated in accordance with the provisions of this Employment Agreement; provided, however, that the Employment Term shall automatically renew for additional one year periods if neither the Company nor Executive has notified the other in writing of its or his intention not to renew this Employment Agreement on or before 60 days prior to the expiration of the Employment Term (including any renewal(s) thereof).

Section 1.03. *Capacity and Duties*. During the Employment Term, Executive is and shall be employed in the capacity of Executive Vice President and Chief Operating Officer of the Company and its subsidiaries, and shall have such other duties, responsibilities and authorities as may be assigned to him from time to time by the President and Chief Executive Officer ("***CEO***") and the Board of Directors of the Company (the "***Board***"), which are not materially inconsistent with Executive's positions with the Company. Except as otherwise herein provided, Executive shall devote his entire business time, best efforts and attention to promote and advance the business of the Company and its subsidiaries and to perform diligently and

faithfully all the duties, responsibilities and obligations of Executive to be performed by him under this Employment Agreement. Upon termination of Executive's employment for any reason, unless otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further action by Executive, as of the end of Executive's employment, and Executive, at the Board's request, will execute any documents necessary to reflect his resignation.

Section 1.04. *Place of Employment*. Executive's principal place of work shall be the main corporate office of the Company, currently located in Boise, Idaho; provided, however, that the location of the Company and any of its offices may be moved from time to time in the discretion of the Board.

Section 1.05. *No Other Employment*. During the Employment Term, Executive shall not be employed in any other business activity, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided, however, that this restriction shall not be construed as preventing Executive from (i) participating in charitable, civic, educational, professional, community or industry affairs; (ii) sitting on one outside board of directors for a public or private company that does not compete with the Company, with the prior concurrence of the Board that the required time commitment with respect to such position is acceptable; and (iii) investing his personal assets in a business which does not compete with the Company or its subsidiaries or with any other company or entity affiliated with the Company, where the form or manner of such investment will not require services on the part of Executive in the operation of the affairs of the business in which such investment is made and in which his participation is solely that of a passive investor or advisor, so long as the activities in clauses (i), (ii) and (iii), above, do not materially interfere with the performance of Executive's duties hereunder or create a potential business conflict or the appearance thereof.

Section 1.06. *Adherence to Standards*. Executive shall comply with the written policies, standards, rules and regulations of the Company from time to time established for all executive officers of the Company consistent with Executive's position and level of authority, including, without limitation, policies relating to stock ownership guidelines, clawback of compensation, hedging and pledging of securities and insider trading.

Section 1.07. *Review of Performance*. The CEO shall periodically review and evaluate with Executive his performance under this Employment Agreement.

2.0. Compensation.

During the Employment Term, subject to all the terms and conditions of this Employment Agreement and as compensation for all services to be rendered by Executive hereunder, the Company shall pay to or provide Executive with the following:

Section 2.01. *Base Salary*. During the Employment Term, the Company shall pay to Executive an annual base salary ("***Base Salary***") in an amount not less than Four Hundred

Fifty-Three Thousand and No/100 Dollars ($453,000.00). Such Base Salary shall be payable in accordance with the regular payroll practices and procedures of the Company.

Section 2.02. *Incentive Pay*. During the Employment Term, Executive shall be eligible to participate in any cash incentive or bonus plans of the Company which are in effect for executives from time to time, including the annual cash incentive payment opportunity granted to Executive under the Company's Management Incentive Plan ("***MIP***," and together with any other cash incentive or bonus plans of the Company in which Executive participates, the "***Cash Incentive Plans***"), subject to the terms and conditions thereof, at a minimum 75% of Base Salary ("***Target Bonus***") at a 100% of MIP target basis, with such MIP target to be set annually by the Board. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate any or all of its Cash Incentive Plans at any time. In the event of any inconsistency between the terms of this Employment Agreement and the terms of any Cash Incentive Plan, the Cash Incentive Plan shall govern and control; provided, however, that any amount owed to Executive under a Cash Incentive Plan in accordance with the terms thereof shall be paid to Executive no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 2.03. *Paid Time Off and Other Benefits*. During the Employment Term, Executive shall be entitled to Paid Time Off ("***PTO***") consistent with the Company's policy for senior executives (as in effect from time to time), and shall have the right, on the same basis as other members of senior management of the Company, to participate in any and all employee benefit plans and programs of the Company, including medical plans and other benefit plans and programs as shall be, from time to time, in effect for executive employees and senior management personnel of the Company. Such participation shall be subject to the terms of the applicable plan documents, generally applicable Company policies and the discretion of the Board or any administrative or other committee provided for in, or contemplated by, each such plan or program. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate such benefit plans and programs at any time, including, without limitation, any modification of the Company's PTO policy.

Section 2.04. *Expenses*. The Company shall reimburse Executive for all reasonable, ordinary and necessary business expenses including, but not limited to, automobile and other business travel and customer and business entertainment expenses incurred by him during the Employment Term in connection with his employment in accordance with the Company's expense reimbursement policy; provided, however, Executive shall render to the Company a complete and accurate accounting of all such business expenses in accordance with the substantiation requirements of the Internal Revenue Code of 1986, as amended (the "***Code***"). Executive's right to reimbursement hereunder may not be liquidated or exchanged for any other benefit, the amount of expenses eligible for reimbursement hereunder in a calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year, and Executive shall be reimbursed for eligible expenses no later than the close of the calendar year immediately following the calendar year in which Executive incurs the applicable expense.

3.0. Termination of Employment.

Section 3.01. *Termination of Employment*. Executive's employment and the Employment Term may be terminated prior to expiration of the Employment Term as follows (with the date of termination being referred to hereinafter as the "***Termination Date***"):

(a) By either Party by delivering 60 days' prior written notice of non-renewal as set forth in Section 1.02 above;

(b) Upon no less than 30 days' written notice from the Company to Executive at any time without Cause (as hereinafter defined) and other than due to Executive's death or Disability, subject to the provisions of Section 4.02 below;

(c) By the Company for Cause (as hereinafter defined) immediately upon written notice stating the basis for such termination;

(d) Immediately upon the death of Executive;

(e) Due to the Disability (as hereinafter defined) of Executive;

(f) By Executive due to Retirement (as hereinafter defined) upon 90 days' prior written notice to the Company stating that Executive does not intend to engage in full-time employment following such termination of employment;

(g) By Executive at any time with or without Good Reason (as hereinafter defined), other than due to Retirement, upon 30 days' written notice from Executive to the Company (or such shorter period to which the Company may agree); or

(h) Upon the mutual agreement of the Company and Executive.

Section 3.02. *Certain Definitions*. For purposes of this Employment Agreement, the following terms have the meanings set forth below:

(a) "***Cause***" shall mean, by reason of a determination by two-thirds (2/3) of the members of the Board (excluding, for all such purposes, Executive, if Executive is a member of the Board) voting, that Executive:

(i) Has engaged in willful neglect (other than neglect resulting from his incapacity due to physical or mental illness) of Executive's duties or willful misconduct in the performance of his duties for the Company under this Employment Agreement, or has willfully violated any material written policy of the Company;

(ii) Has engaged in willful or grossly negligent conduct the consequences of which are materially adverse to the Company, monetarily or otherwise;

(iii) Has failed to follow the lawful instructions of the CEO or the Board that are consistent with his position as Executive Vice President and Chief Operating Officer;

(iv) Has materially breached the terms of this Employment Agreement, and such breach persisted after notice thereof from the Company and a reasonable opportunity to cure; or

(v) Has been convicted of (or has plead guilty or no contest to) any felony (other than a traffic violation) or any misdemeanor involving moral turpitude.

(b) "***Disability***" shall mean that, as a result of Executive's incapacity due to physical or mental illness, Executive is considered disabled under the Company's Long-Term Disability Plan or, in the absence of such plan, Executive is unable (without reasonable accommodation), as determined by the Board in good faith, to perform Executive's essential duties, responsibilities and functions under this Employment Agreement for a period of 180 days during any 12 consecutive months.

(c) "***Good Reason***" shall mean the occurrence of any of the following without Executive's prior written consent during the Employment Term:

(i) Any material diminution or adverse change in Executive's title, authority, responsibilities or duties under this Employment Agreement which are materially inconsistent with his title, authority, responsibilities or duties set forth in this Employment Agreement, or any removal of Executive from, or failure to appoint, elect, reappoint or reelect Executive to, any of his positions, except in connection with the termination of his employment with or without Cause, or as a result of his death or Disability;

(ii) The exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to the failure to continue such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such termination is required by law, or applies to all of the Company's executive officers and/or employees generally.

(iii) The failure by the Company to include or continue Executive's participation in any material employee benefit plan (including any medical, hospitalization, life insurance or disability benefit plan in which Executive participates or in which other Company executives participate), or any material fringe benefit or

prerequisite enjoyed by him unless an equitable arrangement (embodied in an ongoing substitute or alternative plan, if applicable) has been made with respect to the failure to include Executive in such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder, or the failure by the Company to provide him with the benefits to which he is entitled under this Employment Agreement; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any employee benefit plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such exclusion is required by law, or applies to all of the Company's executive officers and/or employees generally;

(iv) Any material breach by the Company of any provision of this Employment Agreement; or

(v) The relocation of the main corporate office of the Company beyond a 50 mile radius from Boise, Idaho or beyond a fifty (50) mile radius from Executive's primary place of employment if not in the corporate office, in each case which materially increases Executive's commute.

Notwithstanding any other provision of this Employment Agreement to the contrary, Executive shall be deemed not to have terminated his employment for Good Reason unless (i) Executive notifies the Board in writing of the condition that Executive believes constitutes Good Reason within 90 days after the initial existence thereof (which notice specifically identifies such condition and the details regarding its existence), (ii) the Company fails to remedy such condition within 30 days after the date on which the Board receives such notice (the "***Remedial Period***"), and (iii) Executive terminates employment with the Company (and its subsidiaries and affiliates) within 60 days after the end of the Remedial Period. The failure by Executive to include in the notice any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder.

(d) "***Retirement***" shall mean Executive's termination of employment with the Company and its subsidiaries for any reason (other than for Cause, or when grounds for Cause exist, or due to Executive's death) after attaining age [52] and having been employed by the Company or its subsidiaries for not less than 10 consecutive years as of immediately prior to such termination of employment.

4.0. Payments and Benefits Upon Termination of Employment.

Section 4.01. *Termination by the Company For Cause or by Executive Without Good Reason.* If Executive's employment and the Employment Term are terminated by the Company for Cause or by Executive without Good Reason (but not due to Retirement), the Company shall pay Executive the Accrued Obligations (as hereinafter defined) (other than, however, any amounts due under any Cash Incentive Plan which shall be forfeited pursuant to

the terms of such plan), in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law).

Section 4.02. *Termination by the Company Without Cause or by Executive For Good Reason*. Subject to Section 5.0 below, if Executive's employment and the Employment Term are terminated by the Company without Cause or if Executive terminates his employment and the Employment Term for Good Reason, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, subject to Sections 5.0, 6.0 and 7.0, in the event of such a termination, Executive shall be entitled to receive the following:

(i) an amount equal to the sum of two year's Base Salary and two times Target Bonus ("***Severance Payment***"), which shall be payable during the two year period immediately following the Termination Date as provided below;

(ii) continued vesting of outstanding stock options and stock appreciation rights for a period of two years following the Termination Date, with any stock option and stock appreciation right held by Executive immediately prior to such termination that is, or becomes, vested to remain exercisable until the earlier of the second anniversary of the Termination Date and the original expiration date of such stock option or stock appreciation right (as applicable);

(iii) immediate vesting of any restricted stock grants that would have vested during the two-year period immediately following the Termination Date;

(iv) continued vesting of restricted stock unit grants for a period of two years following the Termination Date in the same manner as if no such termination had occurred;

(v) continued vesting of performance stock and performance stock units in the same manner as if no termination of employment had occurred, with payment calculated based on actual performance but with vesting to be pro-rated based on the number of days from the start of the performance period through the second anniversary of the Termination Date in relation to the total number of days in the performance period (provided that such pro-ration shall not result in a pro-ration factor greater than 1);

(vi) reimbursement of Executive's and his eligible dependents' insurance premiums pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") under the Company's medical, dental and vision plans if Executive and Executive's eligible dependents are eligible for, and timely elect, COBRA continuation coverage, with such reimbursements to be provided for a period of the lesser

of 18 months immediately following the Termination Date or the date Executive or such dependent receives similar or comparable coverage from a new employer, a spouse or the employer of a spouse; provided, however, that the Company may unilaterally amend this clause (v) or eliminate the benefit provided hereunder to the extent it deems necessary to avoid the imposition of excise taxes, penalties or similar charges on the Company or any of its subsidiaries or affiliates, including, without limitation, under Code Section 4980D, or to the extent that this provision violates applicable law or non-discrimination rules (Executive understands that such COBRA reimbursement may be treated as taxable, in which case, Executive shall be grossed-up for such taxes in accordance with Section 409A);

(vii) 6 monthly payments each in an amount equal to the greater of (x) two (2) times the monthly COBRA insurance premiums as of the Termination Date under the Company's medical, dental and vision plans and (y) $5,000, in either case as compensation for Executive's loss of participation in certain of the Company's employee benefit plans, which shall commence on the first payroll date following the 18-month anniversary of the Termination Date; and

(viii) 24 monthly cash payments each in an amount equal to two (2) times the monthly premiums as of the Termination Date for the life insurance and long-term disability insurance coverage under the Company's life insurance and long-term disability plans covering Executive as of immediately prior to the Termination Date (the "***L&D Payments***"), which shall be payable during the two year period immediately following the Termination Date as provided below.

All payments and benefits under this Section 4.02 (other than the Accrued Obligations) shall be conditional on Executive's timely execution and non-revocation of the Release (as defined in Section 6.0) and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0. Payment of the Severance Payment and the L&D Payments shall be made in substantially equal installments in accordance with the regular payroll practices and procedures of the Company commencing on the first payroll date occurring after Executive's Release becomes effective (but not later than sixty (60) days after the Termination Date); provided, however, that the first such payment shall include any installments that would have been made on previous payroll dates but for the requirement that Executive execute a Release. For the avoidance of doubt, a termination of employment pursuant to Section 3.01(a) by notice of non-renewal by the Company for any reason other than Cause, shall be deemed a termination of employment by the Company without Cause for purposes of this Section 4.02 and Section 5, as applicable.

Section 4.03. *Termination Due to Death*. If Executive's employment and the Employment Term are terminated due to Executive's death, the Company shall pay the estate of Executive the Accrued Obligations in a single, lump-sum payment within 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested

stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock and performance stock units will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units and performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (iii) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date.

Section 4.04. *Termination Due to Disability*. If Executive's employment and the Employment Term are terminated due to his Disability, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, performance stock and performance stock units (but only performance stock units that are not subject to Section 409A (as hereinafter defined)) will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units will continue to vest for a period of two years following the Termination Date in the same manner as if no such termination had occurred (provided that if such termination occurs within 24 months after a Change of Control, any restricted stock units granted after the Effective Date will vest in full upon such termination and shall be settled within 30 days thereafter), (iii) any performance stock units that are subject to Section 409A will continue to vest in the same manner as if no such termination of employment had occurred, with performance deemed achieved at target (provided that if such termination occurs within 24 months after a Change of Control, any performance stock units that are subject to Section 409A granted after the Effective Date will vest in full upon such termination with performance being deemed achieved at target and shall be settled within 30 days thereafter), (iv) all performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (v) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date; provided, however, that such continued vesting and exercisability of any restricted stock, restricted stock units, stock options, stock appreciation rights, performance stock units and performance stock under this Section 4.04 shall be conditional on Executive's timely execution and non-revocation of the Release and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0 below.

Section 4.05. *Retirement*. If Executive's employment and the Employment Term are terminated by virtue of Executive's Retirement, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 4.06. *Definition of Accrued Obligations*. "***Accrued Obligations***" shall mean (i) any earned but unpaid Base Salary through the Termination Date and any PTO that is accrued but unused as of the Termination Date (with such accrual determined in accordance with the Company's PTO policy); (ii) any unreimbursed business expenses incurred through the Termination Date that are otherwise reimbursable in accordance with Company policy; (iii) all other payments, benefits or fringe benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Employment Agreement; and (iv) subject to forfeiture of any such payments under the terms of the applicable Cash Incentive Plan (x) to the extent unpaid, any cash incentive earned under any Cash Incentive Plan for the fiscal year prior to the year in which Executive's termination occurs and (y) any cash incentive earned under any Cash Incentive Plan in the year of Executive's termination of employment based on actual results over the entire performance period and shall be paid on a pro-rata basis based on days employed during the fiscal year of such plan if any. With respect to clause (iv)(y) of this Section 4.06, for the sake of clarity and by way of example only, if Executive is employed for 270 days of a fiscal year and the management incentive plan in place at the time pays out 100% of target, Executive would be owed 74% (270/365) of any incentive payments to which he would have been entitled had his employment not been terminated. Such payments under clause (iv) hereof shall be made in accordance with the terms of any Cash Incentive Plan in effect at the time, except that any requirement that the recipient must be an employee at the time of payment shall be waived by the Company under this policy.

5.0. Payment and Benefits Upon Certain Terminations in Connection with a Change of Control.

Section 5.01. *Change of Control Severance Benefits*. Subject to Sections 6.0 and 7.0 below, if within 24 months after a Change of Control, Executive's employment and the Employment Term are terminated by the Company without Cause (but not due to death or Disability) or by Executive for Good Reason, then Executive shall receive:

(i) in lieu of the Severance Payment, a payment equal to two times the sum of (x) his annual Base Salary; and (y) the *greater of* (a) any earned but unpaid amount due under any Cash Incentive Plan (as determined by the terms of the Cash Incentive Plan); and (b) Executive's Target Bonus amount (collectively, the "***Change of Control Payment***");

(ii) the payments and benefits set forth in clauses (vi), (vii) and (viii) of Section 4.02 at the times provided therein;

(iii) full vesting of all unvested stock options, stock appreciation rights, restricted stock, restricted stock units (but only to the extent such restricted stock units are granted after the Effective Date), performance stock units (but only to the extent such performance stock units (x) are not subject to Section 409A or (y) are subject to Section 409A but are granted after the Effective Date) and performance stock (with all stock options and stock appreciation rights to remain exercisable through their normal expiration date, with performance with respect to any performance-based awards to be

deemed achieved at target and with all restricted stock units and performance stock units that become vested under this clause (iii) to be settled within 30 days after the Termination Date), provided, however, that if unvested stock options, stock appreciation rights, restricted stock, performance stock units (to the extent not subject to Section 409A) and performance stock held by Executive are not continued, substituted for or assumed by the successor company in connection with a Change of Control, such awards shall immediately vest upon the Change of Control;

(iv) with respect to any restricted stock units that are outstanding on the Effective Date, continued vesting of such restricted stock units in the same manner as if no such termination of employment had occurred; and

(v) with respect to any performance stock units that are subject to Section 409A that are outstanding on the Effective Date, continued vesting of such performance stock units in the same manner as if no such termination of employment had occurred (with payment based on target performance).

The Change of Control Payment shall be paid in a single lump-sum payment on the first payroll date after the effective date of the Release, but in any event within 60 days after the Termination Date.

In the event of a termination described in this Section 5.0, Executive also shall be entitled to receive the Accrued Obligations (to be provided in accordance with Section 4.02).

In the event of an inconsistency between this Section 5.0 and Section 4.02, this Section 5.0 shall govern and control.

Section 5.02. *Definition of Change of Control*. A "**Change of Control**" shall be deemed to have occurred upon:

(i) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "***Business Combination***"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 60% of the combined voting power of the then-outstanding securities of the entity resulting from such Business Combination; provided, however, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) The sale, transfer, or other disposition of all or substantially all of the Company's assets;

(iii) Any transaction as a result of which any person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "***1934 Act***")), directly or indirectly, of securities of the Company representing more than 30% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this subparagraph (iii), the term "person" shall have the same meaning as when used in sections

13 and 14(d) of the 1934 Act, but shall exclude (x) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a subsidiary; (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company; and (z) any person or entity owning more than 30% of the total voting power represented by the Company's then outstanding voting securities immediately prior to such transaction; or

(iv) A change in the composition of the Board in any 12-month period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***" shall mean directors who either (a) are directors of the Company as of the start of the period or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing or anything contained herein to the contrary, no transaction or event shall be a Change of Control unless it also satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii).

6.0. Release.

Executive's entitlement to the payments and benefits described in Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, other than the Accrued Obligations, is subject to and conditioned upon Executive's timely execution, without subsequent revocation, of a release of claims in favor of the Company and its subsidiaries and affiliates in form and substance satisfactory to the Company (the "***Release***"); provided, however, that notwithstanding the foregoing, the Release is not intended to and will not waive Executive's rights: (i) to indemnification pursuant to any applicable provision of the Company's Bylaws or Certificate of Incorporation, as amended, pursuant to any written indemnification agreement between Executive and the Company, or pursuant to applicable law; (ii) to vested benefits or payments specifically to be provided to Executive under this Employment Agreement or any Company employee benefit plans or policies; or (iii) respecting any claims Executive may have solely by virtue of Executive's status as a stockholder of the Company. The Release also shall not impose any restrictive covenant on Executive's conduct post-termination that Executive had not agreed to prior to Executive's termination in this Agreement or otherwise or include claims that an employee cannot lawfully release through execution of a general release of claims.

To be timely, the Release must become effective (i.e., Executive must sign it and any revocation period must expire without Executive revoking the Release) within 60 days, or such shorter period specified in the Release, after Executive's date of termination of employment. If the Release does not become effective within such time period, then Executive shall not be entitled to such payments and benefits. The Company is obligated to provide Executive the Release within 7 calendar days after the Termination Date and Executive shall have a minimum of 21 calendar days to review and comment on the Release.

Notwithstanding anything contained in this Employment Agreement to the contrary, if payment or provision of any amounts under Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, on which Executive's execution and non-revocation of the Release is conditioned, could commence in more than one calendar year based on when the Release could be executed (regardless of when the Release is executed), then to the extent any such amounts are treated as nonqualified deferred compensation under Section 409A (as hereinafter defined) any such amounts that otherwise would have been paid or provided in such first calendar year instead shall be withheld and paid or provided on the first payroll date in such second calendar year with all remaining payments and benefits to be made as if no such delay had occurred.

7.0. Compliance With Section 409A.

Section 7.01. *General*. The provisions of this Employment Agreement are intended to comply with the requirements of Section 409A of the Code and any regulations and official guidance promulgated thereunder ("***Section 409A***") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be interpreted in accordance with Section 409A. Any payments that qualify for the "short-term deferral" exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Employment Agreement shall be treated as a separate payment of compensation for purposes of Section 409A and a right to a series of installment payments under this Employment Agreement (including pursuant to Section 4.02) shall be treated as a right to a series of separate and distinct payments. All payments to be made upon a termination of employment under this Employment Agreement that are treated as nonqualified deferred compensation under Section 409A may only be made upon a "separation from service" under Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Employment Agreement. For purposes of this Employment Agreement, a termination of Executive's employment as a result of Disability, by the Company without Cause or by Executive for Good Reason, in each case, is intended to constitute an "involuntary separation" within the meaning of, and for purposes of, Section 409A, and this Employment Agreement shall be interpreted accordingly.

Section 7.02. *In-Kind Benefits and Reimbursements*. Notwithstanding anything to the contrary in this Employment Agreement, all reimbursements and in-kind benefits provided hereunder shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified herein); (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to Executive as described in Treasury Regulation Section 1.409A-3(i)(1)(iv)(B); (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year immediately following the calendar year in which the expense is incurred, *provided* that reimbursement shall be made only if Executive has submitted an invoice for such expenses at least 10 days before the end of the calendar year

immediately following the calendar year in which such expenses were incurred; and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Section 7.03. *Delay of Payments*. Notwithstanding any other provision of this Employment Agreement to the contrary, if Executive is considered a "specified employee" for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination of employment), any payment that constitutes nonqualified deferred compensation within the meaning of Section 409A that is otherwise due to Executive hereunder during the six-month period immediately following Executive's separation from service (as determined in accordance with Section 409A) on account of Executive's separation from service shall be accumulated and paid to Executive on the first business day after the date that is six months immediately following Executive's separation from service (the "***Delayed Payment Date***"). Executive shall be entitled to interest (at a per annum rate equal to the highest rate of interest applicable to six-month non-callable certificates of deposit with daily compounding offered by the following institutions: Citibank, N.A., Wells Fargo Bank, N.A. or Bank of America, on the date of such separation from service) on any cash payments so delayed from the scheduled date of payment to the Delayed Payment Date. If Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of Executive's estate on the first to occur of the Delayed Payment Date or 30 days after the date of Executive's death.

Section 7.04. *Cooperation*. Executive and the Company agree to work together in good faith to consider amendments to this Employment Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

Section 7.05. *No Liability*. Notwithstanding anything contained in this Employment Agreement to the contrary, neither the Company nor any of its subsidiaries or affiliates shall have any liability or obligation to Executive or to any other person or entity in the event that this Employment Agreement, or any of the payments or benefits provided under this Employment Agreement, does not comply with, or is not exempt from, Section 409A.

8.0. Limitation on Payments.

Notwithstanding any other provision of this Employment Agreement or any other agreement or arrangement between Executive and the Company or any of its affiliates, in the event that the payments and other benefits provided for in this Employment Agreement, together with all other payments and benefits that Executive receives or is entitled to receive from the Company or any of its subsidiaries, (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8.0, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent as would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduction in payments and benefits constituting "parachute payments" is necessary so that payments and benefits are delivered to a lesser extent under Section 8.0(b) hereof, reduction shall occur in the following order: (i) reduction of cash severance payments (reduced from the latest scheduled payments to the earliest scheduled payments); (ii) cancellation of any equity awards that are included under Section 280G of the Code at full value rather than accelerated value (reduced from highest value to lowest value under Section 280G of the Code and, if such values are the same, from latest to earliest scheduled vesting dates); (iii) cancellation of the accelerated vesting of any equity awards included under Section 280G of the Code at an accelerated value (and not at full value), which shall be reduced with the highest value reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) (and if such values are the same, from latest to earliest vesting dates); and (iv) reduction of any other non-cash benefits (including the value of the accelerated payment of any cash payments), reduced in the order of highest to lowest value under Code Section 280G (and if such values are the same, from latest to earliest payment dates); provided, in each case, that any such reduction shall be made in a manner consistent with the requirements of Section 409A. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8.0 will be made in writing by an independent, nationally recognized accounting firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8.0, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 8.0. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 8.0.

9.0. Return of Property.

Executive agrees, upon the termination of his employment with the Company or upon the earlier written request of the Company, to return to the Company all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including without limitation, computerized and/or electronic information that refers, relates or otherwise pertains to the Company and/or its subsidiaries, and any and all business dealings of said persons and entities. In addition, Executive shall return to the Company all property and equipment that Executive has been issued during the course of his employment or which he otherwise then possesses or has control over, including but not limited to, any computers, cellular phones, personal digital assistants, pagers and/or similar items. Executive shall immediately deliver to the Company any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files, materials, property and equipment that are in Executive's possession or control. Executive further agrees that he will immediately forward to the Company any business information regarding the Company and/or its subsidiaries that has been or is inadvertently directed to Executive following his last day of employment with

the Company. The provisions of this Section 9.0 are in addition to any other written agreements on this subject that Executive may have with the Company and/or its subsidiaries, and are not meant to and do not excuse any additional obligations that Executive may have under such agreements.

10.0. Notices.

For the purposes of this Employment Agreement, notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by expedited (overnight) courier with established national reputation, shipping prepaid or billed to sender, in either case addressed to the respective addresses last given by each Party to the other (provided that all notices to the Company shall be directed to the attention of the CEO) or to such other address as either Party may have furnished to the other in writing in accordance herewith. All notices and communications shall be deemed to have been received on the date of delivery thereof, or on the second day after deposit thereof with an expedited courier service, except that notice of change of address shall be effective only upon receipt. Notices shall be addressed as follows:

If to the Company:

101 S. Capitol Blvd., Suite 1000
Boise, Idaho 83702

If to Executive:

As on file with the Company's Corporate Secretary

11.0. Life Insurance.

The Company may, at any time after the execution of this Employment Agreement, apply for and procure as owner and for its own benefit, life insurance on Executive, in such amounts and in such form or forms as the Company may determine. Executive shall, at the request of the Company, submit to such medical examinations, supply such information, and execute such documents as may be required by the insurance company or companies to whom the Company has applied for such insurance.

12.0. Confidentiality.

Executive agrees not to disclose or reveal to any person or entity outside the Company or any of its subsidiaries any confidential, trade secret, proprietary or other non-public information concerning the Company, any of its subsidiaries or any of the businesses or operations of the Company or any of its subsidiaries ("***Confidential Information***"), including all information relating to any Company or subsidiary product, process, equipment, machinery, design, formula, business plan or strategy, or other activity without prior permission of the Company in writing.

Confidential Information shall not include any information which is in the public domain or becomes publicly known, in either case, through no wrongful act on the part of Executive or breach of this Employment Agreement. Executive acknowledges that the Confidential Information is vital, sensitive, confidential and proprietary to the Company or its subsidiaries. The obligation to protect the secrecy of such information continues after employment with Company or any of its subsidiaries may be terminated. In furtherance of this agreement, Executive acknowledges that all Confidential Information which Executive now possesses, or shall hereafter acquire, concerning and pertaining to the business and secrets of the Company or any of its subsidiaries and all inventions or discoveries made or developed, or suggested by or to Executive during said term of employment relating to the Company's or any of its subsidiaries' business shall, at all times and for all purposes, be regarded as acquired and held by Executive in his fiduciary capacity and solely for the benefit of the Company or any of its subsidiaries.

Pursuant to 18 U.S.C. § 1833(b), Executive understands that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to his attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if he files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, he may disclose the trade secret to his attorney and use the trade secret information in the court proceeding if he (I) files any document containing the trade secret under seal, and (II) does not disclose the trade secret, except pursuant to court order. Nothing in this Employment Agreement, or any other agreement that Executive has with the Company, is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Employment Agreement or any other agreement that Executive has with the Company or any of its affiliates shall prohibit or restrict him from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

13.0. Work Product Assignment.

Executive agrees that all inventions, innovations, discoveries, improvements, technical information, systems, software developments, methods, designs, analyses, data, drawings, reports, works of authorship, service marks, trademarks, trade names, logos and all similar or related information or developments (whether patentable or unpatentable) which relate to the actual or anticipated business, research and development or existing or future products or services of the Company or of any of its subsidiaries or affiliates, and which are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company, together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing and any other intellectual property right or other proprietary rights in any of the foregoing (collectively referred to herein as the "***Work Product***"), are in all instances the exclusive property of the Company, and Executive hereby irrevocably assigns to the Company

all Work Product and all of his interest therein, including all rights to claim and recover damages and/or injunctive relief for past, present, and future infringement or violation of any Work Product. Executive agrees to promptly make full written disclosure to the Company of any and all Work Product. Executive will promptly perform all actions reasonably requested by the Board (whether during or after his employment with the Company) to establish and confirm the ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney and other instruments) by the Company or its subsidiaries or affiliates, as applicable, and to provide reasonable assistance to the Company or any of its subsidiaries and affiliates in connection with the prosecution of any applications for patents, trademarks, trade names, service marks or reissues thereof or other intellectual property rights, or in the prosecution, maintenance, enforcement and defense of any intellectual property rights or other proprietary rights in any Work Product. Without limiting the foregoing, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and on Executive's behalf to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by Executive.

14.0. Covenant Not to Compete, Not to Solicit and Not to Disparage.

Section 14.01. *Acknowledgment of Executive*. Executive acknowledges that his employment with the Company has special, unique and extraordinary value to the Company; that the Company has a lawful interest in protecting its investment in entrusting its Confidential Information to him; that the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of this Employment Agreement; that in performing such services Executive would inevitably disclose the Company's Confidential Information to third parties; and that the restrictions, prohibitions and other provisions of this Section 14.0 are reasonable, fair and equitable in scope, terms, and duration to protect the legitimate business interests of the Company, and are a material inducement to the Company to enter into this Employment Agreement.

Section 14.02. *Non-Competition Covenant*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, directly or indirectly engage anywhere in the United States or any other country in which the Company conducts business (either as owner, investor, partner, stockholder, employer, employee, consultant, advisor or director) in activities on behalf of any person or entity that provides environmental or industrial products or services that are in competition with any products or services provided by the Company or any of its subsidiaries or that the Company or any of its subsidiaries had plans to provide as of the termination of Executive's employment. It is agreed that the ownership of not more than five percent (5%) of the equity securities of any company having securities listed on an exchange or regularly traded in the over-the-counter market shall not, of itself, be deemed inconsistent with this Section 14.02.

Section 14.03. *Non-Solicitation of Customers and Prospective Customers*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any customer or prospective customer of the Company or any of its subsidiaries to curtail or cancel its business with the Company or any of its subsidiaries.

Section 14.04. *Non-Solicitation of Employees*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment if the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any employee of the Company or any of its subsidiaries to terminate his or her employment.

Section 14.05. *Non-Disparagement*. Executive agrees that during Executive's employment with the Company and at all times thereafter, Executive shall not directly or indirectly through any other person, make any statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign any of the Company, its affiliates or any of their respective businesses, activities, operations or reputations or any of their respective directors, managers, officers, employees, representatives or more than 1% stockholders. The Company shall not permit any member of the Board to, or authorize or direct any employee of the Company to, make any public statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person if such statement could be reasonably construed to adversely affect the opinion any other person may have or form of such first person. The foregoing limitations shall not be violated by truthful statements made (i) to any governmental authority, (ii) which such person believes, based on the advice of counsel, are in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), (iii) in good faith in connection with any employment (or similar) performance or similar review or (iv) as necessary to defend or prosecute a claim or allegation.

15.0. <u>Remedies.</u>

Section 15.01. *Specific Performance; Costs of Enforcement*. Executive acknowledges that the covenants and agreements which he has made in this Employment Agreement are reasonable and are required for the reasonable protection of the Company, its subsidiaries and their respective businesses. Executive agrees that the breach of any covenant or agreement contained herein will result in irreparable injury to the Company and/or its subsidiaries, and that, in addition to all other remedies provided by law or in equity with respect to the breach of any provision of this Employment Agreement, the Company, its subsidiaries and

each of their respective successors and assigns will be entitled to enforce the specific performance by Executive of his obligations hereunder and to enjoin him from engaging in any activity in violation hereof and that no claim by Executive against the Company, any of its subsidiaries or any of their respective successors or assigns will constitute a defense or bar to the specific enforcement of such obligations. Executive agrees that the Company, its subsidiaries and each of their respective successors and assigns shall be entitled to recover all costs of enforcing any provision of this Employment Agreement, including, without limitation, reasonable attorneys' fees and costs of litigation. In the event of a breach by Executive of any covenant or agreement contained in Section 14.0 (other than Section 14.05), the running of the restrictive covenant periods (but not of Executive's obligations thereunder) shall be tolled during the period of the continuance of any actual breach or violation.

Section 15.02. *Additional Remedies for Breach of Restrictive Covenants*. The provisions of Section 12.0, Section 13.0, and Section 14.0 (collectively, the "***Restrictive Covenants***") are separate and distinct commitments independent of each of the other Sections. Accordingly, notwithstanding any other provision of this Employment Agreement, Executive agrees that damages in the event of a breach or a threatened breach by Executive of Section 12.0, Section 13.0 and/or Section 14.0 would be difficult if not impossible to ascertain and an inadequate remedy, and it is therefore agreed that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief enjoining any such threatened or actual breach, without any requirement to post bond or provide similar security or to prove actual damages. The existence of this right shall not preclude the Company from pursuing any other rights and remedies at law or in equity that the Company may have, including recovery of damages for any breach of such Sections.

Section 15.03. *Right to Cancel Payments*.

(a) In addition to the remedies set forth above in Sections 15.01 and 15.02, the Company may, at the sole discretion of the Board, cancel, rescind or reduce the Severance Payment and the other payments and benefits under Sections 4.02 and 4.04 (other than the Accrued Obligations), whether vested or not, at any time, if Executive is not in compliance with all of the provisions of Section 12.0, Section 13.0 and Section 14.0.

(b) As a condition to the receipt of any payment or benefit under Sections 4.02 and 4.04 (other than the Accrued Obligations), Executive shall certify to the Company that he is in compliance with the provisions set forth above.

(c) In the event that the Company has rescinded any payments or benefits under Sections 4.02 and 4.04 pursuant to Section 15.03(a) at the time of Executive's alleged breach and the arbitrator determines that Executive has failed to comply with the provisions set forth in Section 12.0, Section 13.0 and/or Section 14.0, as finally determined by binding arbitration pursuant to Section 16.0, Executive shall pay to the Company, within 12 months of the Company's rescission of one or more such payments or benefits, the amount of any such payment(s) or benefit(s) received as a result of the rescinded payment(s) or benefit(s), without interest, in such further manner and on such further terms and conditions as may be required by the Company; and the Company shall be entitled to set-off against the amount of such payment

or benefit any amount owed to Executive by the Company or any of its subsidiaries (if permitted by Section 409A), other than wages.

(d) Executive acknowledges that the foregoing provisions are fair, equitable and reasonable for the protection of the Company's interests in a stable workforce and the time and expense the Company has incurred to develop its business and its customer and vendor relationships.

(e) Notwithstanding the foregoing or anything contained herein to the contrary, this Section 15.03 shall not apply to any payments or benefits owed to Executive in the event of a termination of employment described in Section 5.0.

16.0. Dispute Resolution; WAIVER OF JURY TRIAL.

Except for claims to enforce or otherwise relating to the Restrictive Covenants, including any claim for injunctive, declaratory or other equitable relief, which remedies may be sought in any court of competent jurisdiction:

Section 16.01. *Initial Negotiations*. The Company and Executive agree to resolve all disputes arising out of their employment relationship by the following alternative dispute resolution process: (a) the Company and Executive agree to seek a fair and prompt negotiated resolution; but if this is not possible, (b) all disputes shall be resolved by binding arbitration; provided, however, that during this process, at the request of either Party, made not later than 60 days after the initial arbitration demand, the Parties agree to attempt to resolve any dispute by non-binding, third-party intervention, including either mediation or evaluation or both but without delaying the arbitration hearing date. **BY ENTERING INTO THIS EMPLOYMENT AGREEMENT, BOTH PARTIES GIVE UP THEIR RIGHT TO HAVE THE DISPUTE DECIDED IN COURT BY A JUDGE OR JURY.**

Section 16.02. *Mandatory Arbitration*. Any controversy or claim arising out of or connected with Executive's employment or service with the Company or any of its affiliates or the termination thereof, including but not limited to claims for compensation or severance and claims of wrongful termination, age, sex or other discrimination or civil rights shall be decided by arbitration. In the event the Parties cannot agree on an arbitrator, then the arbitrator shall be selected by the administrator of the American Arbitration Association ("***AAA***") office in Salt Lake City, Utah. The arbitrator shall be an attorney with at least 15 years' experience in employment law in Idaho. Boise, Idaho shall be the site of the arbitration. All statutes of limitation, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder. Any issue about whether a controversy or claim is covered by this Employment Agreement shall be determined by the arbitrator.

Section 16.03. *Arbitration Rules*.

(a) The arbitration shall be conducted in accordance with this Employment Agreement, using as appropriate the AAA Employment Arbitration Rules and Mediation Procedures then-in-effect. The arbitrator shall not be bound by the rules of evidence or of civil

procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require both Parties to submit some or all of their respective cases by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. The Parties agree to limit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

(b) The arbitrator shall take such steps as may be necessary to hold a private hearing within 120 days after the initial request for arbitration; and the arbitrator's written decision shall be made not later than 14 calendar days after the hearing. The Parties agree that they have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause allow reasonable extensions or delays, which shall not affect the validity of the award. Both written discovery and depositions shall be allowed. The extent of such discovery will be determined by the Parties and any disagreements concerning the scope and extent of discovery shall be resolved by the arbitrator. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply applicable substantive law. The arbitrator may award injunctive relief or any other remedy available from a judge, including consolidation of this arbitration with any other involving common issues of law or fact which may promote judicial economy, and shall award attorneys' fees and costs to the prevailing Party in accordance with Section 17.0, but shall not have the power to award punitive or exemplary damages except where expressly authorized by statute. The Parties specifically state that the agreement to limit damages was agreed to by the Parties after negotiations.

17.0. Attorneys' Fees.

Section 17.01. *Prevailing Party Entitled to Attorneys' Fees*. In any action at law or in equity, or in arbitration, to enforce any of the provisions or rights under this Employment Agreement, the prevailing Party to such litigation, as determined by the arbitrator in accordance with the dispute resolution provisions set forth above, shall be entitled to recover from the unsuccessful Party all costs, expenses and reasonable attorneys' fees incurred therein by such prevailing Party (including, without limitation, such costs, expenses and fees on appeal), excluding, however, any time spent by Company employees, including in-house legal counsel, and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment; provided that nothing herein shall limit Executive's right to recover Executive's full attorney's fees and costs in accordance with any statute authorizing an award of such fees and costs.

Section 17.02. *Limitation on Fees*. Notwithstanding the foregoing provision, in no event shall the prevailing Party be entitled to recover an amount from the unsuccessful Party for costs, expenses and attorneys' fees that exceeds the unsuccessful Party's costs, expenses and attorneys' fees in connection with the action or proceeding.

18.0. Miscellaneous Provisions.

Section 18.01. *Prior Employment Agreements*. Executive represents and warrants that Executive's performance of all the terms of this Employment Agreement and as an executive of the Company does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Executive in confidence or in trust prior to Executive's employment by the Company. Executive has not entered into, and shall not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this Employment Agreement or which would be violated by Executive entering into, or carrying out his obligations under, this Employment Agreement. This Employment Agreement supersedes any former oral agreement and any former written agreement heretofore executed relating generally to the employment of Executive with the Company, including without limitation, the Prior Agreement.

Section 18.02. *Cooperation*. During and after Executive's employment, Executive agrees to cooperate with the Company or any of its subsidiaries in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which Executive has knowledge. Executive's cooperation may include, without limitation, being available to the Company or any of its subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any of its subsidiaries' request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company or any of its subsidiaries pertinent information, and turning over to the Company or any of its subsidiaries all relevant documents which are or may come into Executive's possession. The Company shall take into account Executive's other obligations in the case of any cooperation requested after the Termination Date. The Company shall promptly reimburse Executive for the reasonable expenses and costs incurred by him in connection with such cooperation to the extent approved in advance in writing by the Company, and, if any such cooperation is provided after the Termination Date at a time when Executive is not receiving any severance payments under this Employment Agreement, shall compensate Executive for Executive's time in providing such cooperation at Executive's hourly Base Salary rate (based on an eight (8) hour work day) as in effect on the Termination Date (provided that no such compensation shall be paid with respect to Executive's testimony as a witness). For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse Executive for any attorneys' fees or related costs Executive may incur absent advance written approval by the Company.

Section 18.03. *Assignment; Binding Effect*. This Employment Agreement may be assigned in whole or in part by the Company or its successors, but may not be assigned by Executive in whole or in part. Notwithstanding the foregoing, this Employment Agreement shall inure to the benefit of and be enforceable by Executive's personal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amounts under this Employment Agreement are owed to him based on events occurring on or prior to such death, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Employment Agreement to Executive's estate.

Section 18.04. *Headings*. Headings used in this Employment Agreement are for convenience only and shall not be used to interpret or construe its provisions.

Section 18.05. *Waiver*. No provision of this Employment Agreement may be waived or discharged unless such waiver or discharge is agreed to in writing and signed by the Company and Executive. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Employment Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

Section 18.06. *Amendments*. No amendments or variations of the terms and conditions of this Employment Agreement shall be valid unless the same is in writing and signed by the Parties hereto.

Section 18.07. *Severability*. The invalidity or unenforceability of any provision of this Employment Agreement, whether in whole or in part, shall not in any way affect the validity and/or enforceability of any other provision contained herein. Any invalid or unenforceable provision shall be deemed severable to the extent of any such invalidity or unenforceability. It is expressly understood and agreed that while the Company and Executive consider the restrictions contained in this Employment Agreement reasonable for the purpose of preserving for the Company the goodwill, other proprietary rights and intangible business value of the Company, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in this Employment Agreement is an unreasonable or otherwise unenforceable restriction against Executive, the provisions of such clause shall not be rendered void but shall be deemed amended to apply as to maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable.

Section 18.08. *Governing Law*. This Employment Agreement shall be construed and enforced pursuant to the laws of the State of Idaho, applied without reference to principles of conflicts of law.

Section 18.09. *Executive Officer Status*. Executive acknowledges that he may be deemed to be an "executive officer" of the Company for purposes of the Securities Act of 1933, as amended (the "***1933 Act***"), and the 1934 Act and, if so, he shall comply in all respects with all the rules and regulations under the 1933 Act and the 1934 Act applicable to him in a timely and non-delinquent manner. In order to assist the Company in complying with its obligations under the 1933 Act and 1934 Act, Executive shall provide to the Company such information about Executive as the Company shall reasonably request including, but not limited to, information relating to personal history and stockholdings. Executive shall report to the Secretary of the Company or other designated officer of the Company all changes in beneficial ownership of any shares of the Company's Common Stock deemed to be beneficially owned by Executive and/or any members of Executive's immediate family. Executive further agrees to comply with all requirements placed on him by the Sarbanes-Oxley Act of 2002, Public Law 107-204.

Section 18.10. *Tax Withholding*. To the extent required by law, the Company shall deduct or withhold from any payments under this Employment Agreement all applicable federal,

state and local income taxes, Social Security, Medicare, unemployment tax and other amounts that the Company determines in good faith are required by law to be withheld.

Section 18.11. *Counterparts*. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document.

Section 18.12. *Retention of Counsel*. Executive acknowledges that he has had the opportunity to review this Employment Agreement and the transactions contemplated hereby with his own legal counsel.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Employment Agreement has been duly executed by the Company and Executive as of the date first above written.

EXECUTIVE:

/s/ Simon G. Bell
SIMON G. BELL

COMPANY:

US ECOLOGY, INC.

By: /s/ Jeffrey R. Feeler
Name: Jeffrey R. Feeler
Title: PRESIDENT AND CHIEF EXECUTIVE OFFICER

Exhibit 10.18

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (this "***Employment Agreement***") is made and entered into effective as of the 22nd day of December, 2020 (the "***Effective Date***"), by and between US ECOLOGY, INC., a Delaware corporation (the "***Company***"), and ANDREW P. MARSHALL ("***Executive***"). The Company and Executive are sometimes collectively referred to herein as the "***Parties***," and individually, as a "***Party***."

WHEREAS, immediately prior to the Effective Date, Executive rendered valuable services to the Company in the capacity of Executive Vice President of Regulatory Compliance and Safety, pursuant to an Executive Employment Agreement, dated February 25, 2016 (the "***Prior Agreement***"); and

WHEREAS, the Parties desire to amend and restate the Prior Agreement in its entirety as set forth herein and to continue Executive's employment with the Company as Executive Vice President of Regulatory Compliance and Safety on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1.0. Employment.

Section 1.01. *Employment*. The Company hereby employs Executive, and Executive hereby accepts employment with the Company, all upon the terms and subject to the conditions set forth in this Employment Agreement, effective as of the Effective Date first set forth above.

Section 1.02. *Term of Employment*. The term of employment of Executive by the Company pursuant to this Employment Agreement shall be for the period commencing on the Effective Date and ending December 31, 2021 (the "***Employment Term***"), or such earlier date that Executive's employment is terminated in accordance with the provisions of this Employment Agreement; provided, however, that the Employment Term shall automatically renew for additional one year periods if neither the Company nor Executive has notified the other in writing of its or his intention not to renew this Employment Agreement on or before 60 days prior to the expiration of the Employment Term (including any renewal(s) thereof).

Section 1.03. *Capacity and Duties*. During the Employment Term, Executive is and shall be employed in the capacity of Executive Vice President of Regulatory Compliance and Safety of the Company and its subsidiaries, and shall have such other duties, responsibilities and authorities as may be assigned to him from time to time by the President and Chief Executive Officer ("***CEO***") and the Board of Directors of the Company (the "***Board***"), which are not materially inconsistent with Executive's positions with the Company. Except as otherwise herein provided, Executive shall devote his entire business time, best efforts and attention to promote and advance the business of the Company and its subsidiaries and to perform diligently

and faithfully all the duties, responsibilities and obligations of Executive to be performed by him under this Employment Agreement. Upon termination of Executive's employment for any reason, unless otherwise requested by the Board, Executive will be deemed to have resigned from the Board (and all other positions held at the Company and its affiliates) voluntarily, without any further action by Executive, as of the end of Executive's employment, and Executive, at the Board's request, will execute any documents necessary to reflect his resignation.

Section 1.04. *Place of Employment*. Executive's principal place of work shall be the main corporate office of the Company, currently located in Boise, Idaho; provided, however, that the location of the Company and any of its offices may be moved from time to time in the discretion of the Board.

Section 1.05. *No Other Employment*. During the Employment Term, Executive shall not be employed in any other business activity, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided, however, that this restriction shall not be construed as preventing Executive from (i) participating in charitable, civic, educational, professional, community or industry affairs; (ii) sitting on one outside board of directors for a public or private company that does not compete with the Company, with the prior concurrence of the Board that the required time commitment with respect to such position is acceptable; and (iii) investing his personal assets in a business which does not compete with the Company or its subsidiaries or with any other company or entity affiliated with the Company, where the form or manner of such investment will not require services on the part of Executive in the operation of the affairs of the business in which such investment is made and in which his participation is solely that of a passive investor or advisor, so long as the activities in clauses (i), (ii) and (iii), above, do not materially interfere with the performance of Executive's duties hereunder or create a potential business conflict or the appearance thereof.

Section 1.06. *Adherence to Standards*. Executive shall comply with the written policies, standards, rules and regulations of the Company from time to time established for all executive officers of the Company consistent with Executive's position and level of authority, including, without limitation, policies relating to stock ownership guidelines, clawback of compensation, hedging and pledging of securities and insider trading.

Section 1.07. *Review of Performance*. The CEO shall periodically review and evaluate with Executive his performance under this Employment Agreement.

2.0. Compensation.

During the Employment Term, subject to all the terms and conditions of this Employment Agreement and as compensation for all services to be rendered by Executive hereunder, the Company shall pay to or provide Executive with the following:

Section 2.01. *Base Salary*. During the Employment Term, the Company shall pay to Executive an annual base salary ("***Base Salary***") in an amount not less than Three

Hundred Twenty Thousand and No/100 Dollars ($320,000.00). Such Base Salary shall be payable in accordance with the regular payroll practices and procedures of the Company.

Section 2.02. *Incentive Pay*. During the Employment Term, Executive shall be eligible to participate in any cash incentive or bonus plans of the Company which are in effect for executives from time to time, including the annual cash incentive payment opportunity granted to Executive under the Company's Management Incentive Plan ("***MIP***," and together with any other cash incentive or bonus plans of the Company in which Executive participates, the "***Cash Incentive Plans***"), subject to the terms and conditions thereof, at a minimum 75% of Base Salary ("***Target Bonus***") at a 100% of MIP target basis, with such MIP target to be set annually by the Board. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate any or all of its Cash Incentive Plans at any time. In the event of any inconsistency between the terms of this Employment Agreement and the terms of any Cash Incentive Plan, the Cash Incentive Plan shall govern and control; provided, however, that any amount owed to Executive under a Cash Incentive Plan in accordance with the terms thereof shall be paid to Executive no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 2.03. *Paid Time Off and Other Benefits*. During the Employment Term, Executive shall be entitled to Paid Time Off ("***PTO***") consistent with the Company's policy for senior executives (as in effect from time to time), and shall have the right, on the same basis as other members of senior management of the Company, to participate in any and all employee benefit plans and programs of the Company, including medical plans and other benefit plans and programs as shall be, from time to time, in effect for executive employees and senior management personnel of the Company. Such participation shall be subject to the terms of the applicable plan documents, generally applicable Company policies and the discretion of the Board or any administrative or other committee provided for in, or contemplated by, each such plan or program. Anything to the contrary in this Employment Agreement notwithstanding, the Company reserves the right to modify or terminate such benefit plans and programs at any time, including, without limitation, any modification of the Company's PTO policy.

Section 2.04. *Expenses*. The Company shall reimburse Executive for all reasonable, ordinary and necessary business expenses including, but not limited to, automobile and other business travel and customer and business entertainment expenses incurred by him during the Employment Term in connection with his employment in accordance with the Company's expense reimbursement policy; provided, however, Executive shall render to the Company a complete and accurate accounting of all such business expenses in accordance with the substantiation requirements of the Internal Revenue Code of 1986, as amended (the "***Code***"). Executive's right to reimbursement hereunder may not be liquidated or exchanged for any other benefit, the amount of expenses eligible for reimbursement hereunder in a calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year, and Executive shall be reimbursed for eligible expenses no later than the close of the calendar year immediately following the calendar year in which Executive incurs the applicable expense.

3.0. Termination of Employment.

Section 3.01. *Termination of Employment*. Executive's employment and the Employment Term may be terminated prior to expiration of the Employment Term as follows (with the date of termination being referred to hereinafter as the "***Termination Date***"):

(a) By either Party by delivering 60 days' prior written notice of non-renewal as set forth in Section 1.02 above;

(b) Upon no less than 30 days' written notice from the Company to Executive at any time without Cause (as hereinafter defined) and other than due to Executive's death or Disability, subject to the provisions of Section 4.02 below;

(c) By the Company for Cause (as hereinafter defined) immediately upon written notice stating the basis for such termination;

(d) Immediately upon the death of Executive;

(e) Due to the Disability (as hereinafter defined) of Executive;

(f) By Executive due to Retirement (as hereinafter defined) upon 90 days' prior written notice to the Company stating that Executive does not intend to engage in full-time employment following such termination of employment;

(g) By Executive at any time with or without Good Reason (as hereinafter defined), other than due to Retirement, upon 30 days' written notice from Executive to the Company (or such shorter period to which the Company may agree); or

(h) Upon the mutual agreement of the Company and Executive.

Section 3.02. *Certain Definitions*. For purposes of this Employment Agreement, the following terms have the meanings set forth below:

(a) "***Cause***" shall mean, by reason of a determination by two-thirds (2/3) of the members of the Board (excluding, for all such purposes, Executive, if Executive is a member of the Board) voting, that Executive:

(i) Has engaged in willful neglect (other than neglect resulting from his incapacity due to physical or mental illness) of Executive's duties or willful misconduct in the performance of his duties for the Company under this Employment Agreement, or has willfully violated any material written policy of the Company;

(ii) Has engaged in willful or grossly negligent conduct the consequences of which are materially adverse to the Company, monetarily or otherwise;

(iii) Has failed to follow the lawful instructions of the CEO or the Board that are consistent with his position as Executive Vice President of Regulatory Compliance and Safety;

(iv) Has materially breached the terms of this Employment Agreement, and such breach persisted after notice thereof from the Company and a reasonable opportunity to cure; or

(v) Has been convicted of (or has plead guilty or no contest to) any felony (other than a traffic violation) or any misdemeanor involving moral turpitude.

(b) "***Disability***" shall mean that, as a result of Executive's incapacity due to physical or mental illness, Executive is considered disabled under the Company's Long-Term Disability Plan or, in the absence of such plan, Executive is unable (without reasonable accommodation), as determined by the Board in good faith, to perform Executive's essential duties, responsibilities and functions under this Employment Agreement for a period of 180 days during any 12 consecutive months.

(c) "***Good Reason***" shall mean the occurrence of any of the following without Executive's prior written consent during the Employment Term:

(i) Any material diminution or adverse change in Executive's title, authority, responsibilities or duties under this Employment Agreement which are materially inconsistent with his title, authority, responsibilities or duties set forth in this Employment Agreement, or any removal of Executive from, or failure to appoint, elect, reappoint or reelect Executive to, any of his positions, except in connection with the termination of his employment with or without Cause, or as a result of his death or Disability;

(ii) The exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to the failure to continue such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any incentive, bonus or other similar plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such termination is required by law, or applies to all of the Company's executive officers and/or employees generally.

(iii) The failure by the Company to include or continue Executive's participation in any material employee benefit plan (including any medical, hospitalization, life insurance or disability benefit plan in which Executive participates or in which other Company executives participate), or any material fringe benefit or

prerequisite enjoyed by him unless an equitable arrangement (embodied in an ongoing substitute or alternative plan, if applicable) has been made with respect to the failure to include Executive in such plan, or the failure by the Company to continue Executive's participation therein, or any action by the Company which would directly or indirectly materially reduce his participation therein or reward opportunities thereunder, or the failure by the Company to provide him with the benefits to which he is entitled under this Employment Agreement; provided, however, that Executive continues to meet all eligibility requirements thereof. Notwithstanding the foregoing, this provision shall not apply to the exclusion of Executive from any employee benefit plan in which Executive participated at the time that this Employment Agreement is executed to the extent that such exclusion is required by law, or applies to all of the Company's executive officers and/or employees generally;

(iv) Any material breach by the Company of any provision of this Employment Agreement; or

(v) The relocation of the main corporate office of the Company beyond a 50 mile radius from Boise, Idaho or beyond a fifty (50) mile radius from Executive's primary place of employment if not in the corporate office, in each case which materially increases Executive's commute.

Notwithstanding any other provision of this Employment Agreement to the contrary, Executive shall be deemed not to have terminated his employment for Good Reason unless (i) Executive notifies the Board in writing of the condition that Executive believes constitutes Good Reason within 90 days after the initial existence thereof (which notice specifically identifies such condition and the details regarding its existence), (ii) the Company fails to remedy such condition within 30 days after the date on which the Board receives such notice (the "***Remedial Period***"), and (iii) Executive terminates employment with the Company (and its subsidiaries and affiliates) within 60 days after the end of the Remedial Period. The failure by Executive to include in the notice any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder.

(d) "***Retirement***" shall mean Executive's termination of employment with the Company and its subsidiaries for any reason (other than for Cause, or when grounds for Cause exist, or due to Executive's death) after attaining age [52] and having been employed by the Company or its subsidiaries for not less than 10 consecutive years as of immediately prior to such termination of employment.

4.0. Payments and Benefits Upon Termination of Employment.

Section 4.01. *Termination by the Company For Cause or by Executive Without Good Reason.* If Executive's employment and the Employment Term are terminated by the Company for Cause or by Executive without Good Reason (but not due to Retirement), the Company shall pay Executive the Accrued Obligations (as hereinafter defined) (other than, however, any amounts due under any Cash Incentive Plan which shall be forfeited pursuant to

the terms of such plan), in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law).

Section 4.02. *Termination by the Company Without Cause or by Executive For Good Reason*. Subject to Section 5.0 below, if Executive's employment and the Employment Term are terminated by the Company without Cause or if Executive terminates his employment and the Employment Term for Good Reason, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, subject to Sections 5.0, 6.0 and 7.0, in the event of such a termination, Executive shall be entitled to receive the following:

(i) an amount equal to the sum of two year's Base Salary and two times Target Bonus ("***Severance Payment***"), which shall be payable during the two year period immediately following the Termination Date as provided below;

(ii) continued vesting of outstanding stock options and stock appreciation rights for a period of two years following the Termination Date, with any stock option and stock appreciation right held by Executive immediately prior to such termination that is, or becomes, vested to remain exercisable until the earlier of the second anniversary of the Termination Date and the original expiration date of such stock option or stock appreciation right (as applicable);

(iii) immediate vesting of any restricted stock grants that would have vested during the two-year period immediately following the Termination Date;

(iv) continued vesting of restricted stock unit grants for a period of two years following the Termination Date in the same manner as if no such termination had occurred;

(v) continued vesting of performance stock and performance stock units in the same manner as if no termination of employment had occurred, with payment calculated based on actual performance but with vesting to be pro-rated based on the number of days from the start of the performance period through the second anniversary of the Termination Date in relation to the total number of days in the performance period (provided that such pro-ration shall not result in a pro-ration factor greater than 1);

(vi) reimbursement of Executive's and his eligible dependents' insurance premiums pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") under the Company's medical, dental and vision plans if Executive and Executive's eligible dependents are eligible for, and timely elect, COBRA continuation coverage, with such reimbursements to be provided for a period of the lesser

of 18 months immediately following the Termination Date or the date Executive or such dependent receives similar or comparable coverage from a new employer, a spouse or the employer of a spouse; provided, however, that the Company may unilaterally amend this clause (v) or eliminate the benefit provided hereunder to the extent it deems necessary to avoid the imposition of excise taxes, penalties or similar charges on the Company or any of its subsidiaries or affiliates, including, without limitation, under Code Section 4980D, or to the extent that this provision violates applicable law or non-discrimination rules (Executive understands that such COBRA reimbursement may be treated as taxable, in which case, Executive shall be grossed-up for such taxes in accordance with Section 409A);

(vii) 6 monthly payments each in an amount equal to the greater of (x) two (2) times the monthly COBRA insurance premiums as of the Termination Date under the Company's medical, dental and vision plans and (y) $5,000, in either case as compensation for Executive's loss of participation in certain of the Company's employee benefit plans, which shall commence on the first payroll date following the 18-month anniversary of the Termination Date; and

(viii) 24 monthly cash payments in an amount equal to two (2) times the monthly premiums as of the Termination Date for the life insurance and long-term disability insurance coverage under the Company's life insurance and long-term disability plans covering Executive as of immediately prior to the Termination Date (the "***L&D Payments***"), which shall be payable during the two year period immediately following the Termination Date as provided below.

All payments and benefits under this Section 4.02 (other than the Accrued Obligations) shall be conditional on Executive's timely execution and non-revocation of the Release (as defined in Section 6.0) and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0. Payment of the Severance Payment and the L&D Payments shall be made in substantially equal installments in accordance with the regular payroll practices and procedures of the Company commencing on the first payroll date occurring after Executive's Release becomes effective (but not later than sixty (60) days after the Termination Date); provided, however, that the first such payment shall include any installments that would have been made on previous payroll dates but for the requirement that Executive execute a Release. For the avoidance of doubt, a termination of employment pursuant to Section 3.01(a) by notice of non-renewal by the Company for any reason other than Cause, shall be deemed a termination of employment by the Company without Cause for purposes of this Section 4.02 and Section 5, as applicable.

Section 4.03. *Termination Due to Death*. If Executive's employment and the Employment Term are terminated due to Executive's death, the Company shall pay the estate of Executive the Accrued Obligations in a single, lump-sum payment within 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested

stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock and performance stock units will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units and performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (iii) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date.

Section 4.04. *Termination Due to Disability*. If Executive's employment and the Employment Term are terminated due to his Disability, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended. In addition, in the event of such a termination of employment: (i) all unvested stock options, stock appreciation rights, restricted stock, performance stock and performance stock units (but only performance stock units that are not subject to Section 409A (as hereinafter defined)) will immediately vest (with performance being deemed achieved at target), (ii) all restricted stock units will continue to vest for a period of two years following the Termination Date in the same manner as if no such termination had occurred (provided that if such termination occurs within 24 months after a Change of Control, any restricted stock units granted after the Effective Date will vest in full upon such termination and shall be settled within 30 days thereafter), (iii) any performance stock units that are subject to Section 409A will continue to vest in the same manner as if no such termination of employment had occurred, with performance deemed achieved at target (provided that if such termination occurs within 24 months after a Change of Control, any performance stock units that are subject to Section 409A granted after the Effective Date will vest in full upon such termination with performance being deemed achieved at target and shall be settled within 30 days thereafter), (iv) all performance stock units that become vested under clause (i) shall be settled within 30 days after the Termination Date and (v) all stock options and stock appreciation rights held by Executive as of immediately prior to such termination shall remain exercisable until their normal expiration date; provided, however, that such continued vesting and exercisability of any restricted stock, restricted stock units, stock options, stock appreciation rights, performance stock units and performance stock under this Section 4.04 shall be conditional on Executive's timely execution and non-revocation of the Release and Executive's continued compliance with Section 9.0, Section 12.0, Section 13.0, and Section 14.0 below.

Section 4.05. *Retirement*. If Executive's employment and the Employment Term are terminated by virtue of Executive's Retirement, the Company shall pay Executive the Accrued Obligations in a single, lump-sum payment in accordance with the regular payroll practices and procedures of the Company but in no event longer than 45 days following such termination (or on such earlier date required by applicable law) or, in the case of a Cash Incentive Plan payment, according to the terms of such plan but no later than March 15 of the calendar year immediately following the calendar year in which the applicable performance period ended.

Section 4.06. *Definition of Accrued Obligations*. "***Accrued Obligations***" shall mean (i) any earned but unpaid Base Salary through the Termination Date and any PTO that is accrued but unused as of the Termination Date (with such accrual determined in accordance with the Company's PTO policy); (ii) any unreimbursed business expenses incurred through the Termination Date that are otherwise reimbursable in accordance with Company policy; (iii) all other payments, benefits or fringe benefits to which Executive may be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Employment Agreement; and (iv) subject to forfeiture of any such payments under the terms of the applicable Cash Incentive Plan (x) to the extent unpaid, any cash incentive earned under any Cash Incentive Plan for the fiscal year prior to the year in which Executive's termination occurs and (y) any cash incentive earned under any Cash Incentive Plan in the year of Executive's termination of employment based on actual results over the entire performance period and shall be paid on a pro-rata basis based on days employed during the fiscal year of such plan if any. With respect to clause (iv)(y) of this Section 4.06, for the sake of clarity and by way of example only, if Executive is employed for 270 days of a fiscal year and the management incentive plan in place at the time pays out 100% of target, Executive would be owed 74% (270/365) of any incentive payments to which he would have been entitled had his employment not been terminated. Such payments under clause (iv) hereof shall be made in accordance with the terms of any Cash Incentive Plan in effect at the time, except that any requirement that the recipient must be an employee at the time of payment shall be waived by the Company under this policy.

5.0. Payment and Benefits Upon Certain Terminations in Connection with a Change of Control.

Section 5.01. *Change of Control Severance Benefits*. Subject to Sections 6.0 and 7.0 below, if within 24 months after a Change of Control, Executive's employment and the Employment Term are terminated by the Company without Cause (but not due to death or Disability) or by Executive for Good Reason, then Executive shall receive:

(i) in lieu of the Severance Payment, a payment equal to two times the sum of (x) his annual Base Salary; and (y) the *greater of* (a) any earned but unpaid amount due under any Cash Incentive Plan (as determined by the terms of the Cash Incentive Plan); and (b) Executive's Target Bonus amount (collectively, the "***Change of Control Payment***");

(ii) the payments and benefits set forth in clauses (vi), (vii) and (viii) of Section 4.02 at the times provided therein;

(iii) full vesting of all unvested stock options, stock appreciation rights, restricted stock, restricted stock units (but only to the extent such restricted stock units are granted after the Effective Date), performance stock units (but only to the extent such performance stock units (x) are not subject to Section 409A or (y) are subject to Section 409A but are granted after the Effective Date) and performance stock (with all stock options and stock appreciation rights to remain exercisable through their normal expiration date, with performance with respect to any performance-based awards to be

deemed achieved at target and with all restricted stock units and performance stock units that become vested under this clause (iii) to be settled within 30 days after the Termination Date), provided, however, that if unvested stock options, stock appreciation rights, restricted stock, performance stock units (to the extent not subject to Section 409A) and performance stock held by Executive are not continued, substituted for or assumed by the successor company in connection with a Change of Control, such awards shall immediately vest upon the Change of Control;

(iv) with respect to any restricted stock units that are outstanding on the Effective Date, continued vesting of such restricted stock units in the same manner as if no such termination of employment had occurred; and

(v) with respect to any performance stock units that are subject to Section 409A that are outstanding on the Effective Date, continued vesting of such performance stock units in the same manner as if no such termination of employment had occurred (with payment based on target performance).

The Change of Control Payment shall be paid in a single lump-sum payment on the first payroll date after the effective date of the Release, but in any event within 60 days after the Termination Date.

In the event of a termination described in this Section 5.0, Executive also shall be entitled to receive the Accrued Obligations (to be provided in accordance with Section 4.02).

In the event of an inconsistency between this Section 5.0 and Section 4.02, this Section 5.0 shall govern and control.

Section 5.02. *Definition of Change of Control*. A "**Change of Control**" shall be deemed to have occurred upon:

(i) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company (each, a "***Business Combination***"), unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the combined voting power of the Company's outstanding securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least 60% of the combined voting power of the then-outstanding securities of the entity resulting from such Business Combination; provided, however, that a public offering of the Company's securities shall not constitute a Business Combination;

(ii) The sale, transfer, or other disposition of all or substantially all of the Company's assets;

(iii) Any transaction as a result of which any person is the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "***1934 Act***")), directly or indirectly, of securities of the Company representing more than 30% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this subparagraph (iii), the term "person" shall have the same meaning as when used in sections

13 and 14(d) of the 1934 Act, but shall exclude (x) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a subsidiary; (y) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company; and (z) any person or entity owning more than 30% of the total voting power represented by the Company's then outstanding voting securities immediately prior to such transaction; or

(iv) A change in the composition of the Board in any 12-month period as a result of which fewer than a majority of the directors are Incumbent Directors. "***Incumbent Directors***" shall mean directors who either (a) are directors of the Company as of the start of the period or (b) are elected, or nominated for election, to the Board with the affirmative votes (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for election as a director without objection to such nomination) of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors of the Company).

Notwithstanding the foregoing or anything contained herein to the contrary, no transaction or event shall be a Change of Control unless it also satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii).

6.0. Release.

Executive's entitlement to the payments and benefits described in Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, other than the Accrued Obligations, is subject to and conditioned upon Executive's timely execution, without subsequent revocation, of a release of claims in favor of the Company and its subsidiaries and affiliates in form and substance satisfactory to the Company (the "***Release***"); provided, however, that notwithstanding the foregoing, the Release is not intended to and will not waive Executive's rights: (i) to indemnification pursuant to any applicable provision of the Company's Bylaws or Certificate of Incorporation, as amended, pursuant to any written indemnification agreement between Executive and the Company, or pursuant to applicable law; (ii) to vested benefits or payments specifically to be provided to Executive under this Employment Agreement or any Company employee benefit plans or policies; or (iii) respecting any claims Executive may have solely by virtue of Executive's status as a stockholder of the Company. The Release also shall not impose any restrictive covenant on Executive's conduct post-termination that Executive had not agreed to prior to Executive's termination in this Agreement or otherwise or include claims that an employee cannot lawfully release through execution of a general release of claims.

To be timely, the Release must become effective (i.e., Executive must sign it and any revocation period must expire without Executive revoking the Release) within 60 days, or such shorter period specified in the Release, after Executive's date of termination of employment. If the Release does not become effective within such time period, then Executive shall not be entitled to such payments and benefits. The Company is obligated to provide Executive the Release within 7 calendar days after the Termination Date and Executive shall have a minimum of 21 calendar days to review and comment on the Release.

Notwithstanding anything contained in this Employment Agreement to the contrary, if payment or provision of any amounts under Section 4.02, Section 4.04, Section 4.05 and Section 5.0, in each case, on which Executive's execution and non-revocation of the Release is conditioned, could commence in more than one calendar year based on when the Release could be executed (regardless of when the Release is executed), then to the extent any such amounts are treated as nonqualified deferred compensation under Section 409A (as hereinafter defined) any such amounts that otherwise would have been paid or provided in such first calendar year instead shall be withheld and paid or provided on the first payroll date in such second calendar year with all remaining payments and benefits to be made as if no such delay had occurred.

7.0. Compliance With Section 409A.

Section 7.01. *General*. The provisions of this Employment Agreement are intended to comply with the requirements of Section 409A of the Code and any regulations and official guidance promulgated thereunder ("***Section 409A***") or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be interpreted in accordance with Section 409A. Any payments that qualify for the "short-term deferral" exception or another exception under Section 409A shall be paid under the applicable exception. Each payment of compensation under this Employment Agreement shall be treated as a separate payment of compensation for purposes of Section 409A and a right to a series of installment payments under this Employment Agreement (including pursuant to Section 4.02) shall be treated as a right to a series of separate and distinct payments. All payments to be made upon a termination of employment under this Employment Agreement that are treated as nonqualified deferred compensation under Section 409A may only be made upon a "separation from service" under Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Employment Agreement. For purposes of this Employment Agreement, a termination of Executive's employment as a result of Disability, by the Company without Cause or by Executive for Good Reason, in each case, is intended to constitute an "involuntary separation" within the meaning of, and for purposes of, Section 409A, and this Employment Agreement shall be interpreted accordingly.

Section 7.02. *In-Kind Benefits and Reimbursements*. Notwithstanding anything to the contrary in this Employment Agreement, all reimbursements and in-kind benefits provided hereunder shall be made or provided in accordance with the requirements of Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during Executive's lifetime (or during a shorter period of time specified herein); (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to Executive as described in Treasury Regulation Section 1.409A-3(i)(1)(iv)(B); (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year immediately following the calendar year in which the expense is incurred, *provided* that reimbursement shall be made only if Executive has submitted an invoice for such expenses at least 10 days before the end of the calendar year

immediately following the calendar year in which such expenses were incurred; and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

Section 7.03. *Delay of Payments*. Notwithstanding any other provision of this Employment Agreement to the contrary, if Executive is considered a "specified employee" for purposes of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination of employment), any payment that constitutes nonqualified deferred compensation within the meaning of Section 409A that is otherwise due to Executive hereunder during the six-month period immediately following Executive's separation from service (as determined in accordance with Section 409A) on account of Executive's separation from service shall be accumulated and paid to Executive on the first business day after the date that is six months immediately following Executive's separation from service (the "***Delayed Payment Date***"). Executive shall be entitled to interest (at a per annum rate equal to the highest rate of interest applicable to six-month non-callable certificates of deposit with daily compounding offered by the following institutions: Citibank, N.A., Wells Fargo Bank, N.A. or Bank of America, on the date of such separation from service) on any cash payments so delayed from the scheduled date of payment to the Delayed Payment Date. If Executive dies during the postponement period, the amounts and entitlements delayed on account of Section 409A shall be paid to the personal representative of Executive's estate on the first to occur of the Delayed Payment Date or 30 days after the date of Executive's death.

Section 7.04. *Cooperation*. Executive and the Company agree to work together in good faith to consider amendments to this Employment Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A.

Section 7.05. *No Liability*. Notwithstanding anything contained in this Employment Agreement to the contrary, neither the Company nor any of its subsidiaries or affiliates shall have any liability or obligation to Executive or to any other person or entity in the event that this Employment Agreement, or any of the payments or benefits provided under this Employment Agreement, does not comply with, or is not exempt from, Section 409A.

8.0. Limitation on Payments.

Notwithstanding any other provision of this Employment Agreement or any other agreement or arrangement between Executive and the Company or any of its affiliates, in the event that the payments and other benefits provided for in this Employment Agreement, together with all other payments and benefits that Executive receives or is entitled to receive from the Company or any of its subsidiaries, (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8.0, would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either:

(a) delivered in full; or

(b) delivered as to such lesser extent as would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits, notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduction in payments and benefits constituting "parachute payments" is necessary so that payments and benefits are delivered to a lesser extent under Section 8.0(b) hereof, reduction shall occur in the following order: (i) reduction of cash severance payments (reduced from the latest scheduled payments to the earliest scheduled payments); (ii) cancellation of any equity awards that are included under Section 280G of the Code at full value rather than accelerated value (reduced from highest value to lowest value under Section 280G of the Code and, if such values are the same, from latest to earliest scheduled vesting dates); (iii) cancellation of the accelerated vesting of any equity awards included under Section 280G of the Code at an accelerated value (and not at full value), which shall be reduced with the highest value reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) (and if such values are the same, from latest to earliest vesting dates); and (iv) reduction of any other non-cash benefits (including the value of the accelerated payment of any cash payments), reduced in the order of highest to lowest value under Code Section 280G (and if such values are the same, from latest to earliest payment dates); provided, in each case, that any such reduction shall be made in a manner consistent with the requirements of Section 409A. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8.0 will be made in writing by an independent, nationally recognized accounting firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8.0, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 8.0. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 8.0.

9.0. Return of Property.

Executive agrees, upon the termination of his employment with the Company or upon the earlier written request of the Company, to return to the Company all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including without limitation, computerized and/or electronic information that refers, relates or otherwise pertains to the Company and/or its subsidiaries, and any and all business dealings of said persons and entities. In addition, Executive shall return to the Company all property and equipment that Executive has been issued during the course of his employment or which he otherwise then possesses or has control over, including but not limited to, any computers, cellular phones, personal digital assistants, pagers and/or similar items. Executive shall immediately deliver to the Company any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files, materials, property and equipment that are in Executive's possession or control. Executive further agrees that he will immediately forward to the Company any business information regarding the Company and/or its subsidiaries that has been or is inadvertently directed to Executive following his last day of employment with

the Company. The provisions of this Section 9.0 are in addition to any other written agreements on this subject that Executive may have with the Company and/or its subsidiaries, and are not meant to and do not excuse any additional obligations that Executive may have under such agreements.

10.0. Notices.

For the purposes of this Employment Agreement, notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by expedited (overnight) courier with established national reputation, shipping prepaid or billed to sender, in either case addressed to the respective addresses last given by each Party to the other (provided that all notices to the Company shall be directed to the attention of the CEO) or to such other address as either Party may have furnished to the other in writing in accordance herewith. All notices and communications shall be deemed to have been received on the date of delivery thereof, or on the second day after deposit thereof with an expedited courier service, except that notice of change of address shall be effective only upon receipt. Notices shall be addressed as follows:

If to the Company:
101 S. Capitol Blvd., Suite 1000
Boise, Idaho 83702

If to Executive:
As on file with the Company's Corporate Secretary

11.0. Life Insurance.

The Company may, at any time after the execution of this Employment Agreement, apply for and procure as owner and for its own benefit, life insurance on Executive, in such amounts and in such form or forms as the Company may determine. Executive shall, at the request of the Company, submit to such medical examinations, supply such information, and execute such documents as may be required by the insurance company or companies to whom the Company has applied for such insurance.

12.0. Confidentiality.

Executive agrees not to disclose or reveal to any person or entity outside the Company or any of its subsidiaries any confidential, trade secret, proprietary or other non-public information concerning the Company, any of its subsidiaries or any of the businesses or operations of the Company or any of its subsidiaries ("***Confidential Information***"), including all information relating to any Company or subsidiary product, process, equipment, machinery, design, formula, business plan or strategy, or other activity without prior permission of the Company in writing.

Confidential Information shall not include any information which is in the public domain or becomes publicly known, in either case, through no wrongful act on the part of Executive or breach of this Employment Agreement. Executive acknowledges that the Confidential Information is vital, sensitive, confidential and proprietary to the Company or its subsidiaries. The obligation to protect the secrecy of such information continues after employment with Company or any of its subsidiaries may be terminated. In furtherance of this agreement, Executive acknowledges that all Confidential Information which Executive now possesses, or shall hereafter acquire, concerning and pertaining to the business and secrets of the Company or any of its subsidiaries and all inventions or discoveries made or developed, or suggested by or to Executive during said term of employment relating to the Company's or any of its subsidiaries' business shall, at all times and for all purposes, be regarded as acquired and held by Executive in his fiduciary capacity and solely for the benefit of the Company or any of its subsidiaries.

Pursuant to 18 U.S.C. § 1833(b), Executive understands that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to his attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive understands that if he files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, he may disclose the trade secret to his attorney and use the trade secret information in the court proceeding if he (I) files any document containing the trade secret under seal, and (II) does not disclose the trade secret, except pursuant to court order. Nothing in this Employment Agreement, or any other agreement that Executive has with the Company, is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Employment Agreement or any other agreement that Executive has with the Company or any of its affiliates shall prohibit or restrict him from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

13.0. Work Product Assignment.

Executive agrees that all inventions, innovations, discoveries, improvements, technical information, systems, software developments, methods, designs, analyses, data, drawings, reports, works of authorship, service marks, trademarks, trade names, logos and all similar or related information or developments (whether patentable or unpatentable) which relate to the actual or anticipated business, research and development or existing or future products or services of the Company or of any of its subsidiaries or affiliates, and which are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company, together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing and any other intellectual property right or other proprietary rights in any of the foregoing (collectively referred to herein as the "***Work Product***"), are in all instances the exclusive property of the Company, and Executive hereby irrevocably assigns to the Company

all Work Product and all of his interest therein, including all rights to claim and recover damages and/or injunctive relief for past, present, and future infringement or violation of any Work Product. Executive agrees to promptly make full written disclosure to the Company of any and all Work Product. Executive will promptly perform all actions reasonably requested by the Board (whether during or after his employment with the Company) to establish and confirm the ownership of such Work Product (including, without limitation, the execution and delivery of assignments, consents, powers of attorney and other instruments) by the Company or its subsidiaries or affiliates, as applicable, and to provide reasonable assistance to the Company or any of its subsidiaries and affiliates in connection with the prosecution of any applications for patents, trademarks, trade names, service marks or reissues thereof or other intellectual property rights, or in the prosecution, maintenance, enforcement and defense of any intellectual property rights or other proprietary rights in any Work Product. Without limiting the foregoing, Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney-in-fact, to act for and on Executive's behalf to execute and file any such application or applications or other documents and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or trademark registrations or any other legal protection thereon with the same legal force and effect as if executed by Executive.

14.0. Covenant Not to Compete, Not to Solicit and Not to Disparage.

Section 14.01. *Acknowledgment of Executive*. Executive acknowledges that his employment with the Company has special, unique and extraordinary value to the Company; that the Company has a lawful interest in protecting its investment in entrusting its Confidential Information to him; that the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of this Employment Agreement; that in performing such services Executive would inevitably disclose the Company's Confidential Information to third parties; and that the restrictions, prohibitions and other provisions of this Section 14.0 are reasonable, fair and equitable in scope, terms, and duration to protect the legitimate business interests of the Company, and are a material inducement to the Company to enter into this Employment Agreement.

Section 14.02. *Non-Competition Covenant*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, directly or indirectly engage anywhere in the United States or any other country in which the Company conducts business (either as owner, investor, partner, stockholder, employer, employee, consultant, advisor or director) in activities on behalf of any person or entity that provides environmental or industrial products or services that are in competition with any products or services provided by the Company or any of its subsidiaries or that the Company or any of its subsidiaries had plans to provide as of the termination of Executive's employment. It is agreed that the ownership of not more than five percent (5%) of the equity securities of any company having securities listed on an exchange or regularly traded in the over-the-counter market shall not, of itself, be deemed inconsistent with this Section 14.02.

Section 14.03. *Non-Solicitation of Customers and Prospective Customers*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment by the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any customer or prospective customer of the Company or any of its subsidiaries to curtail or cancel its business with the Company or any of its subsidiaries.

Section 14.04. *Non-Solicitation of Employees*. Without the consent in writing of the Board, Executive will not, during Executive's employment with the Company and (i) for a period of 18 months after a termination of employment if the Company without Cause, including for non-renewal of the Employment Term, or by Executive for Good Reason or (ii) for a period of 12 months after a termination of employment by Executive without Good Reason, acting alone or in conjunction with others, either directly or indirectly, solicit, encourage or induce, or attempt to solicit, encourage or induce, any employee of the Company or any of its subsidiaries to terminate his or her employment.

Section 14.05. *Non-Disparagement*. Executive agrees that during Executive's employment with the Company and at all times thereafter, Executive shall not directly or indirectly through any other person, make any statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign any of the Company, its affiliates or any of their respective businesses, activities, operations or reputations or any of their respective directors, managers, officers, employees, representatives or more than 1% stockholders. The Company shall not permit any member of the Board to, or authorize or direct any employee of the Company to, make any public statements (whether orally, in writing, on social media or otherwise) that disparage, denigrate or malign Executive. For purposes of clarification, and not limitation, a statement shall be deemed to disparage, denigrate or malign a person if such statement could be reasonably construed to adversely affect the opinion any other person may have or form of such first person. The foregoing limitations shall not be violated by truthful statements made (i) to any governmental authority, (ii) which such person believes, based on the advice of counsel, are in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), (iii) in good faith in connection with any employment (or similar) performance or similar review or (iv) as necessary to defend or prosecute a claim or allegation.

15.0. <u>Remedies.</u>

Section 15.01. *Specific Performance; Costs of Enforcement*. Executive acknowledges that the covenants and agreements which he has made in this Employment Agreement are reasonable and are required for the reasonable protection of the Company, its subsidiaries and their respective businesses. Executive agrees that the breach of any covenant or agreement contained herein will result in irreparable injury to the Company and/or its subsidiaries, and that, in addition to all other remedies provided by law or in equity with respect to the breach of any provision of this Employment Agreement, the Company, its subsidiaries and

each of their respective successors and assigns will be entitled to enforce the specific performance by Executive of his obligations hereunder and to enjoin him from engaging in any activity in violation hereof and that no claim by Executive against the Company, any of its subsidiaries or any of their respective successors or assigns will constitute a defense or bar to the specific enforcement of such obligations. Executive agrees that the Company, its subsidiaries and each of their respective successors and assigns shall be entitled to recover all costs of enforcing any provision of this Employment Agreement, including, without limitation, reasonable attorneys' fees and costs of litigation. In the event of a breach by Executive of any covenant or agreement contained in Section 14.0 (other than Section 14.05), the running of the restrictive covenant periods (but not of Executive's obligations thereunder) shall be tolled during the period of the continuance of any actual breach or violation.

Section 15.02. *Additional Remedies for Breach of Restrictive Covenants*. The provisions of Section 12.0, Section 13.0, and Section 14.0 (collectively, the "***Restrictive Covenants***") are separate and distinct commitments independent of each of the other Sections. Accordingly, notwithstanding any other provision of this Employment Agreement, Executive agrees that damages in the event of a breach or a threatened breach by Executive of Section 12.0, Section 13.0 and/or Section 14.0 would be difficult if not impossible to ascertain and an inadequate remedy, and it is therefore agreed that the Company, in addition to and without limiting any other remedy or right it may have, shall have the right to an immediate injunction or other equitable relief enjoining any such threatened or actual breach, without any requirement to post bond or provide similar security or to prove actual damages. The existence of this right shall not preclude the Company from pursuing any other rights and remedies at law or in equity that the Company may have, including recovery of damages for any breach of such Sections.

Section 15.03. *Right to Cancel Payments*.

(a) In addition to the remedies set forth above in Sections 15.01 and 15.02, the Company may, at the sole discretion of the Board, cancel, rescind or reduce the Severance Payment and the other payments and benefits under Sections 4.02 and 4.04 (other than the Accrued Obligations), whether vested or not, at any time, if Executive is not in compliance with all of the provisions of Section 12.0, Section 13.0 and Section 14.0.

(b) As a condition to the receipt of any payment or benefit under Sections 4.02 and 4.04 (other than the Accrued Obligations), Executive shall certify to the Company that he is in compliance with the provisions set forth above.

(c) In the event that the Company has rescinded any payments or benefits under Sections 4.02 and 4.04 pursuant to Section 15.03(a) at the time of Executive's alleged breach and the arbitrator determines that Executive has failed to comply with the provisions set forth in Section 12.0, Section 13.0 and/or Section 14.0, as finally determined by binding arbitration pursuant to Section 16.0, Executive shall pay to the Company, within 12 months of the Company's rescission of one or more such payments or benefits, the amount of any such payment(s) or benefit(s) received as a result of the rescinded payment(s) or benefit(s), without interest, in such further manner and on such further terms and conditions as may be required by the Company; and the Company shall be entitled to set-off against the amount of such payment

or benefit any amount owed to Executive by the Company or any of its subsidiaries (if permitted by Section 409A), other than wages.

(d) Executive acknowledges that the foregoing provisions are fair, equitable and reasonable for the protection of the Company's interests in a stable workforce and the time and expense the Company has incurred to develop its business and its customer and vendor relationships.

(e) Notwithstanding the foregoing or anything contained herein to the contrary, this Section 15.03 shall not apply to any payments or benefits owed to Executive in the event of a termination of employment described in Section 5.0.

16.0. Dispute Resolution; WAIVER OF JURY TRIAL.

Except for claims to enforce or otherwise relating to the Restrictive Covenants, including any claim for injunctive, declaratory or other equitable relief, which remedies may be sought in any court of competent jurisdiction:

Section 16.01. *Initial Negotiations*. The Company and Executive agree to resolve all disputes arising out of their employment relationship by the following alternative dispute resolution process: (a) the Company and Executive agree to seek a fair and prompt negotiated resolution; but if this is not possible, (b) all disputes shall be resolved by binding arbitration; provided, however, that during this process, at the request of either Party, made not later than 60 days after the initial arbitration demand, the Parties agree to attempt to resolve any dispute by non-binding, third-party intervention, including either mediation or evaluation or both but without delaying the arbitration hearing date. **BY ENTERING INTO THIS EMPLOYMENT AGREEMENT, BOTH PARTIES GIVE UP THEIR RIGHT TO HAVE THE DISPUTE DECIDED IN COURT BY A JUDGE OR JURY.**

Section 16.02. *Mandatory Arbitration*. Any controversy or claim arising out of or connected with Executive's employment or service with the Company or any of its affiliates or the termination thereof, including but not limited to claims for compensation or severance and claims of wrongful termination, age, sex or other discrimination or civil rights shall be decided by arbitration. In the event the Parties cannot agree on an arbitrator, then the arbitrator shall be selected by the administrator of the American Arbitration Association ("***AAA***") office in Salt Lake City, Utah. The arbitrator shall be an attorney with at least 15 years' experience in employment law in Idaho. Boise, Idaho shall be the site of the arbitration. All statutes of limitation, which would otherwise be applicable, shall apply to any arbitration proceeding hereunder. Any issue about whether a controversy or claim is covered by this Employment Agreement shall be determined by the arbitrator.

Section 16.03. *Arbitration Rules*.

(a) The arbitration shall be conducted in accordance with this Employment Agreement, using as appropriate the AAA Employment Arbitration Rules and Mediation Procedures then-in-effect. The arbitrator shall not be bound by the rules of evidence or of civil

procedure, but rather may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require both Parties to submit some or all of their respective cases by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. The Parties agree to limit live testimony and cross-examination to the extent necessary to ensure a fair hearing on material issues.

(b) The arbitrator shall take such steps as may be necessary to hold a private hearing within 120 days after the initial request for arbitration; and the arbitrator's written decision shall be made not later than 14 calendar days after the hearing. The Parties agree that they have included these time limits in order to expedite the proceeding, but they are not jurisdictional, and the arbitrator may for good cause allow reasonable extensions or delays, which shall not affect the validity of the award. Both written discovery and depositions shall be allowed. The extent of such discovery will be determined by the Parties and any disagreements concerning the scope and extent of discovery shall be resolved by the arbitrator. The written decision shall contain a brief statement of the claim(s) determined and the award made on each claim. In making the decision and award, the arbitrator shall apply applicable substantive law. The arbitrator may award injunctive relief or any other remedy available from a judge, including consolidation of this arbitration with any other involving common issues of law or fact which may promote judicial economy, and shall award attorneys' fees and costs to the prevailing Party in accordance with Section 17.0, but shall not have the power to award punitive or exemplary damages except where expressly authorized by statute. The Parties specifically state that the agreement to limit damages was agreed to by the Parties after negotiations.

17.0. Attorneys' Fees.

Section 17.01. *Prevailing Party Entitled to Attorneys' Fees*. In any action at law or in equity, or in arbitration, to enforce any of the provisions or rights under this Employment Agreement, the prevailing Party to such litigation, as determined by the arbitrator in accordance with the dispute resolution provisions set forth above, shall be entitled to recover from the unsuccessful Party all costs, expenses and reasonable attorneys' fees incurred therein by such prevailing Party (including, without limitation, such costs, expenses and fees on appeal), excluding, however, any time spent by Company employees, including in-house legal counsel, and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment; provided that nothing herein shall limit Executive's right to recover Executive's full attorney's fees and costs in accordance with any statute authorizing an award of such fees and costs.

Section 17.02. *Limitation on Fees*. Notwithstanding the foregoing provision, in no event shall the prevailing Party be entitled to recover an amount from the unsuccessful Party for costs, expenses and attorneys' fees that exceeds the unsuccessful Party's costs, expenses and attorneys' fees in connection with the action or proceeding.

18.0. Miscellaneous Provisions.

Section 18.01. *Prior Employment Agreements*. Executive represents and warrants that Executive's performance of all the terms of this Employment Agreement and as an executive of the Company does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Executive in confidence or in trust prior to Executive's employment by the Company. Executive has not entered into, and shall not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this Employment Agreement or which would be violated by Executive entering into, or carrying out his obligations under, this Employment Agreement. This Employment Agreement supersedes any former oral agreement and any former written agreement heretofore executed relating generally to the employment of Executive with the Company, including without limitation, the Prior Agreement.

Section 18.02. *Cooperation*. During and after Executive's employment, Executive agrees to cooperate with the Company or any of its subsidiaries in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party concerning issues about which Executive has knowledge. Executive's cooperation may include, without limitation, being available to the Company or any of its subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any of its subsidiaries' request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company or any of its subsidiaries pertinent information, and turning over to the Company or any of its subsidiaries all relevant documents which are or may come into Executive's possession. The Company shall take into account Executive's other obligations in the case of any cooperation requested after the Termination Date. The Company shall promptly reimburse Executive for the reasonable expenses and costs incurred by him in connection with such cooperation to the extent approved in advance in writing by the Company, and, if any such cooperation is provided after the Termination Date at a time when Executive is not receiving any severance payments under this Employment Agreement, shall compensate Executive for Executive's time in providing such cooperation at Executive's hourly Base Salary rate (based on an eight (8) hour work day) as in effect on the Termination Date (provided that no such compensation shall be paid with respect to Executive's testimony as a witness). For the avoidance of doubt, the immediately preceding sentence shall not require the Company to reimburse Executive for any attorneys' fees or related costs Executive may incur absent advance written approval by the Company.

Section 18.03. *Assignment; Binding Effect*. This Employment Agreement may be assigned in whole or in part by the Company or its successors, but may not be assigned by Executive in whole or in part. Notwithstanding the foregoing, this Employment Agreement shall inure to the benefit of and be enforceable by Executive's personal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amounts under this Employment Agreement are owed to him based on events occurring on or prior to such death, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Employment Agreement to Executive's estate.

Section 18.04. *Headings*. Headings used in this Employment Agreement are for convenience only and shall not be used to interpret or construe its provisions.

Section 18.05. *Waiver*. No provision of this Employment Agreement may be waived or discharged unless such waiver or discharge is agreed to in writing and signed by the Company and Executive. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Employment Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

Section 18.06. *Amendments*. No amendments or variations of the terms and conditions of this Employment Agreement shall be valid unless the same is in writing and signed by the Parties hereto.

Section 18.07. *Severability*. The invalidity or unenforceability of any provision of this Employment Agreement, whether in whole or in part, shall not in any way affect the validity and/or enforceability of any other provision contained herein. Any invalid or unenforceable provision shall be deemed severable to the extent of any such invalidity or unenforceability. It is expressly understood and agreed that while the Company and Executive consider the restrictions contained in this Employment Agreement reasonable for the purpose of preserving for the Company the goodwill, other proprietary rights and intangible business value of the Company, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in this Employment Agreement is an unreasonable or otherwise unenforceable restriction against Executive, the provisions of such clause shall not be rendered void but shall be deemed amended to apply as to maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable.

Section 18.08. *Governing Law*. This Employment Agreement shall be construed and enforced pursuant to the laws of the State of Idaho, applied without reference to principles of conflicts of law.

Section 18.09. *Executive Officer Status*. Executive acknowledges that he may be deemed to be an "executive officer" of the Company for purposes of the Securities Act of 1933, as amended (the "***1933 Act***"), and the 1934 Act and, if so, he shall comply in all respects with all the rules and regulations under the 1933 Act and the 1934 Act applicable to him in a timely and non-delinquent manner. In order to assist the Company in complying with its obligations under the 1933 Act and 1934 Act, Executive shall provide to the Company such information about Executive as the Company shall reasonably request including, but not limited to, information relating to personal history and stockholdings. Executive shall report to the Secretary of the Company or other designated officer of the Company all changes in beneficial ownership of any shares of the Company's Common Stock deemed to be beneficially owned by Executive and/or any members of Executive's immediate family. Executive further agrees to comply with all requirements placed on him by the Sarbanes-Oxley Act of 2002, Public Law 107-204.

Section 18.10. *Tax Withholding*. To the extent required by law, the Company shall deduct or withhold from any payments under this Employment Agreement all applicable federal,

state and local income taxes, Social Security, Medicare, unemployment tax and other amounts that the Company determines in good faith are required by law to be withheld.

Section 18.11. *Counterparts*. This Employment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document.

Section 18.12. *Retention of Counsel*. Executive acknowledges that he has had the opportunity to review this Employment Agreement and the transactions contemplated hereby with his own legal counsel.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Employment Agreement has been duly executed by the Company and Executive as of the date first above written.

EXECUTIVE:

/s/ Andrew P. Marshall
ANDREW P. MARSHALL

COMPANY:

US ECOLOGY, INC.

By: /s/ Jeffrey R. Feeler
Name: Jeffrey R. Feeler
Title: PRESIDENT AND CHIEF EXECUTIVE OFFICER

Exhibit 21

List of Subsidiaries

Subsidiary Name	State of Formation
American Ecology Environmental Services Corp.	Texas
CRN Denizcliik Anonim Sirketi /aka/ CRN Martime S.A.	Turkey
Eagle Construction and Environmental Services, LLC	Delaware
ENPRO Holdings Group, Inc.	Massachusetts
ENPRO Services of Vermont, Inc.	Maine
Envirite of Illinois, Inc.	Delaware
Envirite of Ohio, Inc.	Delaware
Envirite of Pennsylvania, Inc.	Delaware
Envirite Transportation, LLC	Ohio
Environmental Services Inc.	Ontario
EQ de Mexico, Inc.	Mexico
EQ Detroit, Inc.	Michigan
EQ Holdings, Inc.	Delaware
EQ Industrial Services, Inc.	Michigan
EQ Metals Recovery, LLC	Ohio
EQ Northeast, Inc.	Massachusetts
EQ Parent Company, Inc.	Delaware
JFL-NRC Holdings, LLC	Delaware
Michigan Disposal, Inc.	Michigan
National Response Corporation	Delaware
National Response Corporation (Angola) LDA	Angola
National Response Corporation (NRC) Environmental Services UAE L LC	United Arab Emirates
National Response Corporation Aruba	Aruba
National Response Corporation Mexico NRC	Mexico
National Response Corporation of Puerto Rico	Delaware
NRC (Asia Pacific) LTD.	Thailand
NRC (B.V.I.) Ltd.	British Virgin Islands
NRC (East Africa) Limited	Uganda
NRC (Egypt) LLC	Egypt
NRC (Malta) Limited	Marshall Islands
NRC (West Africa) LLC	Marshall Islands
NRC Alaska, LLC	Delaware
NRC East Environmental Services, Inc.	Massachusetts
NRC Eastern Mediterranean Ltd.	Israel
NRC Environmental of Maine, Inc.	Maine
NRC Environmental Protection Waste Management & Remediation Services AS	Turkey
NRC Environmental Services (UK) Limited	Scotland
NRC Environmental Services, Inc.	Washington
NRC Group Holdings Corp.	Delaware
NRC Group Holdings, LLC	Delaware
NRC Gulf Environmental Services, Inc.	Delaware
NRC Intermediate Int. Holding Company, LLC	Delaware
NRC Int. Holding Company, LLC	Marshall Islands
NRC International Services, Ltd.	Marshall Islands
NRC Kazakhstan LLP	Kazakhstan
NRC NY Environmental Services, Inc.	Delaware
NRC Payroll Management LLC	Delaware
NRC Servicing Limited	United Kingdom
NRC (Trinidad and Tobago) Ltd.	Trinidad
NRC US Holding Company, LLC	Delaware

NRC WWS LTD	United Kingdom
OP-TECH Avix, Inc.	New York
OSRV Holdings, Inc.	Delaware
Quail Run Services, LLC	Texas
RTF Romulus, LLC	Michigan
SES-Haztec Servicos De Reposta A Emrgencias S.A.	Brazil
South Atlantic Response S.A.	Argentina
Southern Waste Services, Inc.	Florida
Specialized Response Solutions (Canada) Inc.	Alberta
Specialized Response Solutions, L.P.	Texas
Stablex Canada Inc.	Canada
Sureclean A.S.	Norway
Sureclean Holdco Limited	United Kingdom
TMC Services, Inc.	Massachusetts
US Ecology Energy Waste Disposal Services, LLC	Delaware
US Ecology Holdings, Inc.	Delaware
US Ecology Houston, Inc.	Delaware
US Ecology Idaho, Inc.	Delaware
US Ecology Illinois, Inc.	California
US Ecology Karnes County Disposal, LLC	Texas
US Ecology Livonia, Inc.	Michigan
US Ecology Michigan, Inc.	Michigan
US Ecology Nevada, Inc.	Delaware
US Ecology Romulus, Inc.	Michigan
US Ecology Stablex Holdings, Inc.	Delaware
US Ecology Sulligent, Inc.	Michigan
US Ecology Tampa, Inc.	Michigan
US Ecology Taylor, Inc.	Michigan
US Ecology Texas, Inc.	Delaware
US Ecology Thermal Services, Inc.	Delaware
US Ecology Transportation Solutions, Inc.	Delaware
US Ecology Tulsa, Inc.	Michigan
US Ecology Vernon, Inc.	Delaware
US Ecology Washington, Inc.	Delaware
US Ecology Winnie, LLC	Delaware
USE Canada Holdings Inc.	Canada
USE EWD Holdco, LLC	Delaware
Venezuelan Response Corporation	Venezuela
W.I.S.E. Environmental Solutions Inc.	Ontario
Waste Repurposing International, Inc.	Delaware
Wayne Disposal, Inc.	Michigan

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-235835 and 333-234424 on Form S-8, Registration Statement No. 333-235824 on Form S-3, and Registration Statement No. 333-232930 on Form S-4, of our report dated February 26, 2021, relating to the consolidated financial statements of US Ecology Inc. and the effectiveness of US Ecology Inc.'s internal control over financial reporting, appearing in this Annual Report on Form 10-K of US Ecology Inc. for the year ended December 31, 2020.

/s/ DELOITTE & TOUCHE LLP

Boise, Idaho
February 26, 2021

Exhibit 31.1

I, Jeffrey R. Feeler, certify that:

1. I have reviewed this annual report on Form 10-K of US Ecology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JEFFREY R. FEELER
President and Chief Executive Officer

February 26, 2021

Exhibit 31.2

I, Eric L. Gerratt, certify that:

1. I have reviewed this annual report on Form 10-K of US Ecology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ ERIC L. GERRATT
Executive Vice President, Chief Financial Officer and Treasurer

February 26, 2021

Exhibit 32.1

Written Statement of the Chief Executive Officer
Pursuant to 18 U.S.C. §1350

Solely for the purposes of complying with 18 U.S.C. §1350, I, the undersigned Chief Executive Officer of US Ecology, Inc., (the "Company"), hereby certify, that to my knowledge, the Annual Report on Form 10-K of the Company for the period ended December 31, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates hereof and for the periods expressed in this Report.

/s/ JEFFREY R. FEELER
President and Chief Executive Officer

February 26, 2021

Exhibit 32.2

Written Statement of the Chief Financial Officer
Pursuant to 18 U.S.C. §1350

Solely for the purposes of complying with 18 U.S.C. §1350, I, the undersigned Chief Financial Officer of US Ecology, Inc., (the "Company"), hereby certify, that to my knowledge, the Annual Report on Form 10-K of the Company for the period ended December 31, 2020 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates hereof and for the periods expressed in this Report.

/s/ ERIC L. GERRATT
Executive Vice President, Chief Financial Officer
and Treasurer

February 26, 2021