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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 17, 2016

Casella Waste Systems, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-23211
(Commission
File Number)

03-0338873
(IRS Employer
Identification No.)

25 Greens Hill Lane
Rutland, Vermont
(Address of Principal Executive Offices)

05701
(Zip Code)

Registrant's telephone number, including area code: (802) 775-0325

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

2016 Incentive Plan

On November 17, 2016, Casella Waste Systems, Inc. (the “Company”) held its 2016 Annual Meeting of Stockholders (the “Annual Meeting”). At the Annual Meeting, the Company’s stockholders approved the Casella Waste Systems, Inc. 2016 Incentive Plan (the “2016 Incentive Plan”), which had previously been adopted by the Company’s Board of Directors subject to stockholder approval.

A description of the material terms and conditions of the 2016 Incentive Plan is set forth under the heading “PROPOSAL 3 — APPROVAL OF CASELLA WASTE SYSTEMS, INC. 2016 INCENTIVE PLAN” in the Company’s definitive proxy statement on Schedule 14A as filed with the Securities and Exchange Commission on October 3, 2016 (the “Proxy Statement”), which description is attached hereto as Exhibit 99.1 and incorporated herein by reference. The description of the 2016 Incentive Plan incorporated herein by reference is qualified in its entirety by reference to the complete text of the 2016 Incentive Plan, which is incorporated herein by reference. See Exhibit 99.2 to this Current Report on Form 8-K.

Performance-Based Stock Unit and Performance-Based Stock Option Awards

As previously disclosed, the Compensation Committee of the Board (the “Compensation Committee”) has approved and implemented several changes to the Company’s executive compensation program for fiscal 2016. While the Compensation Committee approved the majority of its planned changes to the executive compensation program in March 2016, the planned updates to long-term equity incentive compensation for our executive officers were not fully implemented until after the stockholders of the Company approved the 2016 Incentive Plan at the Annual Meeting. On November 17, 2016, the Board approved the grants of awards under the 2016 Incentive Plan consisting of performance-based stock units (“PSUs”) and performance-based stock options (“Performance Options”) to each of the Company’s executive officers, with each PSU award representing the right to receive, and each Performance Option exercisable for, a target number of shares of Class A Common Stock, \$0.01 par value per share, of the Company (“Class A Common Stock”) (“Target Number of Shares”) and up to a maximum number of shares of Class A Common Stock (equal to 180% of the Target Number of Shares) (“Maximum Number of Shares”), as follows:

Name	Target Number of Shares issuable upon vesting of PSUs	Maximum Number of Shares issuable upon vesting of PSUs	Target Number of Shares that may be purchased upon exercise of Performance Options	Maximum Number of Shares that may be purchased upon exercise of Performance Options
John W. Casella <i>Chairman and Chief Executive Officer</i>	72,115	129,808	20,000	36,000
Edwin D. Johnson <i>President and Chief Operating Officer</i>	42,067	75,721	10,000	18,000
Edmond R. Coletta <i>Senior Vice President and Chief Financial Officer</i>	42,067	75,721	10,000	18,000
Christopher B. Heald <i>Vice President of Finance and Chief Accounting Officer</i>	12,019	21,635	5,000	9,000
David L. Schmitt <i>Senior Vice President and General Counsel</i>	12,019	21,635	5,000	9,000

The number of PSUs eligible to vest, and the number of shares of Class A Common Stock subject to each Performance Option to vest, for each executive officer will be based upon the Company's level of achievement of two performance objectives measured during the period running from January 1, 2018 to December 31, 2018 (the "Measurement Period"). The performance objectives are: (i) Free Cash Flow for the Measurement Period (weighted 50%) and (ii) Adjusted EBITDA for the Measurement Period (weighted 50%) (collectively, the "Performance Objectives").

Free Cash Flow is calculated as net cash provided by operating activities, less capital expenditures (excluding acquisition and rail infrastructure related capital expenditures), less payments on landfill operating lease contracts, plus proceeds from divestiture transactions, plus proceeds from the sale of property and equipment, plus proceeds from property insurance settlement, less contributions from (distributions to) noncontrolling interest holders, plus certain cash outflows associated with landfill closure, site improvement and remediation expenditures, plus certain cash outflows associated with new contract and project capital expenditures, plus cash (inflows) outflows associated with certain business dissolutions, plus cash interest outflows associated with the timing of refinancing transactions. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations, adjusted for the following items: gains or losses on assets sales or divestiture transactions; development project charge write-offs; legal, contract or tax settlement costs; bargain purchase gains; asset or goodwill impairment charges; environmental remediation charges; severance and reorganization costs; expenses from divestiture, acquisition and financing transactions; gains on the settlement of acquisition related contingent consideration; fiscal year-end transition costs; proxy contest costs; losses on the abandonment or the closure and discontinuation of operations.

The number of shares of Class A Common Stock issuable upon vesting of the PSUs, and the portion of each Performance Option that will vest (and the corresponding number of shares of Class A Common Stock that may be purchased upon exercise of the Performance Option), will be determined based upon (i) the number of PSUs (or for each Performance Option, the number of shares of Class A Common Stock) determined to be eligible to vest based on the level of achievement of the Performance Objectives during the Measurement Period multiplied by (ii) a Relative Total Shareholder Return multiplier for the period running from January 1, 2016 to December 31, 2018. Relative Total Shareholder Returns means the Company's total shareholder return relative to the Russell 2000 Index.

The PSU and Performance Option awards described above are subject to the terms and conditions of the 2016 Incentive Plan and the form of performance-based stock unit agreement attached hereto as Exhibit 10.3 and incorporated herein by reference and the form of performance-based stock option agreement attached hereto as Exhibit 10.10 and incorporated herein by reference, respectively.

Forms of Award Agreement under 2016 Incentive Plan

The Compensation Committee approved the following new forms of award agreements for use in connection with grants of awards under the 2016 Incentive Plan: (1) form of Restricted Stock Unit Agreement (for employees with employment contracts) attached hereto as Exhibit 10.1; (2) form of Restricted Stock Agreement (for employees without employment contracts) attached hereto as Exhibit 10.2; (3) form of Performance-Based Stock Unit Agreement (for employees with employment contracts) attached hereto as Exhibit 10.3; (4) form of Performance-Based Stock Unit Agreement (for employees without employment contracts) attached hereto as Exhibit 10.4; (5) form of Restricted Stock Agreement attached hereto as Exhibit 10.5; (6) Form of Incentive Stock Option Agreement (for employees with employment contracts) attached hereto as Exhibit 10.6; (7) Form of Nonstatutory Stock Option Agreement (for employees with employment contracts) attached hereto as Exhibit 10.7; (8) Form of Incentive Stock Option Agreement (for employees without employment contracts) attached hereto as Exhibit 10.8; (9) form of Nonstatutory Stock Option Agreement (for employees without employment contracts) attached hereto as Exhibit 10.9; (10) form of Performance-Based Stock Option Agreement (for employees with employment contracts) attached hereto as Exhibit 10.10; and (11) form of Performance-Based Stock Option Agreement (for employees without employment contracts) attached hereto as Exhibit 10.11.

Item 5.07 Submission of Matters to a Vote of Security Holders.

At the Annual Meeting, the Company's stockholders voted on the following matters, which are described in detail in the Proxy Statement: (i) to elect three (3) Class I members of the Company's Board of Directors (the "Board"), each to serve a three-year term until the 2019 Annual Meeting of Stockholders ("Proposal 1"); (ii) to approve, in an advisory "say-on-pay" vote, the compensation of the Company's named executive officers ("Proposal 2"); (iii) to approve the 2016 Incentive Plan ("Proposal 3") and (iv) to ratify the appointment of RSM US LLP as the Company's independent auditors for the fiscal year ending December 31, 2016 ("Proposal 4"). At the Annual Meeting, the stockholders of the Company re-elected the Board's nominees, Michael K. Burke, James F. Callahan, Jr. and Douglas R. Casella, as Class I directors and approved Proposal 2, Proposal 3 and Proposal 4. At the Annual Meeting, the holders of 44,898,007 votes of the Company's common stock were represented in person or by proxy, constituting a quorum.

Set forth below are the final voting totals for the proposals acted upon at the Annual Meeting:

Proposal 1: To elect three Class I directors, each to serve for a term expiring at the 2019 Annual Meeting of Stockholders.

Nominee	Votes For	Votes Withheld	Broker Non-Votes
Michael K. Burke	39,826,611	624,576	4,446,820
James F. Callahan, Jr.	39,817,330	633,857	4,446,820
Douglas R. Casella	39,087,247	1,363,940	4,446,820

The terms of the following directors continued after the Annual Meeting: Joseph G. Doody, Emily Nagle Green Gregory B. Peters, John W. Casella, William P. Hulligan and James E. O'Connor.

Proposal 2: To approve, in an advisory "say-on-pay" vote, the compensation of the Company's named executive officers.

Votes For	Votes Against	Votes Abstaining	Broker Non-Votes
39,501,808	933,903	15,476	4,446,820

Proposal 3 To approve the Casella Waste Systems, Inc. 2016 Incentive Plan.

Votes For	Votes Against	Votes Abstaining	Broker Non-Votes
36,695,467	3,745,693	10,027	4,446,820

Proposal 4: To ratify the appointment of RSM US LLP, an independent registered public accounting firm, as the Company's independent auditors for the fiscal year ending December 31, 2016.

Votes For	Votes Against	Votes Abstaining
44,307,907	586,292	3,808

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. See Exhibit Index attached hereto.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Casella Waste Systems, Inc.

Date: November 22, 2016

By: /s/ Edmond R. Coletta

Edmond R. Coletta

Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Exhibit Description
10.1	Form of Restricted Stock Unit Agreement under 2016 Incentive Plan (employee with employment contract)
10.2	Form of Restricted Stock Unit Agreement under 2016 Incentive Plan (employee with no employment contract)
10.3	Form of Performance-Based Stock Unit Agreement under 2016 Incentive Plan (employee with employment contract)
10.4	Form of Performance-Based Stock Unit Agreement under 2016 Incentive Plan (employee with no employment contract)
10.5	Form of Restricted Stock Agreement under 2016 Incentive Plan
10.6	Form of Incentive Stock Option Agreement under 2016 Incentive Plan (employee with employment contract)
10.7	Form of Nonstatutory Stock Option Agreement under 2016 Incentive Plan (employee with employment contract)
10.8	Form of Incentive Stock Option Agreement under 2016 Incentive Plan (employee with no employment contract)
10.9	Form of Nonstatutory Stock Option Agreement under 2016 Incentive Plan (employee with no employment contract)
10.10	Form of Performance-Based Stock Option Agreement under 2016 Incentive Plan (employee with employment contract)
10.11	Form of Performance-Based Stock Option Agreement under 2016 Incentive Plan (employee with no employment contract)
99.1	Text of “PROPOSAL 3 — APPROVAL OF CASELLA WASTE SYSTEMS, INC. 2016 INCENTIVE PLAN” from the Company’s definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission on October 3, 2016
99.2	Casella Waste Systems, Inc. 2016 Incentive Plan (incorporated herein by reference to Exhibit 99.1 to the Registration Statement on Form S-8 of Casella Waste Systems, Inc. as filed on November 17, 2016 (file No. 333-214683)).

CASELLA WASTE SYSTEMS, INC.
2016 Incentive Plan

Restricted Stock Unit Agreement
Cover Sheet

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the “*Company*”), on the date set forth below (the “*Grant Date*”) to the person named below (the “*Participant*”) of an award of restricted stock units (the “*Award*”) based on the number of Continued Employment Units for the Vesting Period listed below. Each unit ultimately earned represents the right to receive one share of the Company’s Class A Common Stock, \$0.01 par value per share (“*Common Stock*”), or the value of such share. This Award is subject to the terms and conditions specified in the Casella Waste Systems, Inc. 2016 Incentive Plan (the “*Plan*”), and in this Agreement, consisting of this Cover Sheet and the attached Exhibit A.

Participant Name:	
Grant Date:	
Number of Continued Employment Units:	
Continued Employment Units Vesting Period:	

PARTICIPANT:

CASELLA WASTE SYSTEMS, INC.
25 Greens Hill Lane
Rutland, Vermont 05701

By: _____
John W. Casella, Chairman & CEO

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Cover Sheet and Exhibit A hereto (collectively, the “*Agreement*”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

For this Agreement to become binding, the Participant must accept this Award by signing and returning both copies to the Company within 30 days following notification of the grant. A fully executed copy will be returned to you for your records. Electronic acceptance of this Award pursuant to the Company’s instructions to Participant (including through an online acceptance process managed by the Company’s agent) is acceptable.

EXHIBIT A

CASELLA WASTE SYSTEMS, INC.

Restricted Stock Unit Agreement
2016 Incentive Plan

Terms and Conditions

1. Grant of Restricted Stock Units.

The Award is granted pursuant to and is subject to and governed by the Plan and the terms of this Agreement. It is a form of “**RSU**” as defined in the Plan. Unless otherwise defined in this Agreement, capitalized terms used herein shall have the same meaning as in the Plan. The shares of Common Stock that are issuable after the RSUs have been earned are referred to in this Agreement as “**Shares**.” The RSUs shall be granted to the Participant without payment of consideration (other than continuing services).

2. Continued Employment RSUs.

RSUs may be earned based on continued service to the Company (“**Continued Employment Units**”) as follows:

Continued Employment Units

Target Maximum: 100% of the Continued Employment Units on the Cover Sheet

3. Determination of Earned Continued Employment Units.

Unless otherwise provided in this Agreement or the Plan, shares will be earned on account of the Continued Employment Units in accordance with the following vesting schedule: one-third of the total number of Continued Employment Units shall be earned on the first anniversary of the Grant Date and an additional one-third of the total number of Continued Employment Units shall be earned on each of the second and third anniversaries of the Grant Date. Any fractional number of Continued Employment Units resulting from the application of the foregoing percentages shall be rounded down to the nearest whole number of Continued Employment Units.

4. Cessation of Business Relationship.

(a) Definitions. For purposes of this Section:

- (i) “**Beneficiary**” shall mean the last person or persons designated as such by the Participant in writing prior to the Participant’s death. If no such person survives the Participant, the Beneficiary shall be the Participant’s estate.
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- (ii) “**Cause**” shall have the meaning set forth in the Plan, *provided, however*, that if the Participant is party to any employment, severance or other agreement with the Company (any such agreement, an “**Employment Agreement**”) that contains a definition of “cause,” the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 4.
 - (iii) “**Disability**” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).
 - (iv) “**Good Reason**” shall mean (A) a material reduction in the Participant’s base compensation; or (B) a requirement that the Participant relocate to, or perform his or her principal job functions at, an office that is more than 100 miles from the office at which the Participant was previously performing his or her principal job functions; *provided, however*, that no such event shall constitute Good Reason unless (X) the Participant gives the Company a written notice of termination for Good Reason not more than 100 days after the initial existence of the condition, (Y) the grounds for termination (if susceptible to correction) are not corrected by the Company within 30 days of its receipt of such notice and (Z) the Participant’s termination occurs within 180 days following the Company’s receipt of such notice, and *provided further* that if the Participant is party to an Employment Agreement that contains a definition of “good reason,” the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 4.
- (b) Death, Disability or Termination Without Cause. If the Participant’s continuous service to the Company as an employee or director (a “**Business Relationship**”) ceases as a result of the Participant’s (i) death, (ii) Disability, or (iii) termination of employment by the Company without Cause or by the Participant for Good Reason (does not apply to voluntarily termination of employment by Participant), the Participant (or the Participant’s Beneficiary in the event of the Participant’s death) shall be entitled to payment of all Shares.
- (c) Other Cessation of Business Relationship. If the Participant’s Business Relationship ceases for any reason other than as described in Section 4(b), the Continued Employment Units which have not been earned pursuant to Section 3 prior to such cessation will be forfeited without the payment of any consideration to the Participant, effective as of such cessation, except as provided in this Section.
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- (d) The Participant's Business Relationship shall be deemed to have ceased on the last day of active service to the Company and shall not be extended by any notice of termination period. For purposes hereof, a Business Relationship shall not be considered as having ceased during any leave of absence if such leave of absence has been approved in writing by the Company. For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company. Any change in the type of Business Relationship the Participant has within or among the Company and a parent, subsidiary, affiliate or division of the Company shall not be treated as a cessation of the Business Relationship for purposes of this Section so long as the Participant continuously maintains a Business Relationship.

5. Payment.

- (a) Within 60 days following the date on which any RSUs are earned, the Company shall distribute to the Participant (or to the Participant's Beneficiary in the event of death) the Shares represented by RSUs that were earned, subject to Section 11 hereof and upon the satisfaction of all other applicable conditions as to the RSUs; *provided, however*, that the Shares shall be distributed no later than the 15th day of the third month following the end of the Company's taxable year; *provided further, however*, that the Shares may be distributed following the date contemplated in this Section to the extent permitted under Section 409A ("**Section 409A**") of Internal Revenue Code of 1986, and the regulations, including the proposed regulations thereunder (the "*Code*") without the payment becoming subject to, and being treated as "nonqualified deferred compensation" within the meaning of Section 409A (such as where the Company reasonably anticipates that the payment will violate federal securities laws or other applicable laws). Payment of any earned RSUs shall be made in whole Shares. Earned RSUs shall be rounded down to the nearest whole Share, and the Company shall pay the value of any fractional Shares to the Participant in cash on the basis of the fair market value per share of Common Stock on the date of distribution (determined by reference to the closing price of the Common Stock on the principal exchange on which the Common Stock trades on the date of distribution, or if such date is not a trading date, on the next preceding trading date).
 - (b) The Company shall not be obligated to issue Shares to the Participant upon the earning of any RSUs unless the issuance and delivery of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable federal, state or foreign securities laws and the requirements of any stock exchange upon which Shares may be listed.
 - (c) Anything in the foregoing to the contrary notwithstanding, RSUs granted under this Agreement may be suspended, delayed or otherwise deferred for any of the reasons contemplated in Sections 4 and 5 only to the extent such suspension, delay or deferral is permitted under Treas. Reg. §§1.409A-2(b)(7), 1.409A-1(b)(4)(ii) or successor provisions, or as otherwise permitted under Section 409A.
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6. Option of Company to Deliver Cash.

Notwithstanding any of the other provisions of this Agreement, at the time when any RSUs are payable pursuant to Section 5, the Company may elect, in the sole discretion of the Committee, to deliver to the Participant in lieu of the Shares represented by RSUs that are then payable an equivalent amount of cash (determined by reference to the closing price of the Shares on the principal exchange on which the Shares trade on the applicable payment date or if such date is not a trading date, on the next preceding trading date). Such payments shall be made no later than the deadline set forth in Section 5(a) hereof. If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient to satisfy any tax withholding obligations as set forth in Section 11 hereof.

7. Restrictions on Transfer.

- (a) The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise encumber or dispose of any RSUs, either voluntarily or by operation of law. Any attempt to dispose of any RSUs in contravention of the above restriction shall be null and void and without effect.
- (b) The Company shall not be required (i) to transfer on its books any of the RSUs that have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such RSUs any transferee to whom such RSUs have been transferred in violation of any of the provisions contained herein.

8. No Obligation to Continue Business Relationship.

Neither the Plan, this Agreement, nor the grant of the RSUs imposes any obligation on the Company or its subsidiaries to have or continue a Business Relationship with the Participant.

9. No Rights as Stockholder.

The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares or the value thereof in accordance with the terms of this Agreement. The Participant shall have no rights as a shareholder with respect to the Shares underlying the RSUs. The Participant shall have no right to vote or receive dividends with respect to any Shares underlying the RSUs unless and until such Shares are distributed to the Participant.

10. Adjustments for Capital Changes; Reorganization and Change in Control Events.

The Plan contains provisions covering the treatment of RSUs in a number of contingencies such as stock splits and mergers. Provisions in the Plan for such adjustments are applicable hereunder and are incorporated herein by reference. The treatment of the RSUs in connection with a Reorganization Event or Change in Control Event is governed by Section 10 of the Plan.

11. Withholding Taxes.

The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the vesting of the RSUs. At such time as the Participant is not aware of any material nonpublic information about the Company or the Common Stock, the Participant shall execute the instructions set forth in Exhibit A attached hereto (the “***Automatic Sale Instructions***”) as the means of satisfying such tax obligation. If the Participant does not execute the Automatic Sale Instructions prior to the vesting date, then the Participant agrees that if under applicable law the Participant will owe taxes at such vesting date on the portion of the RSUs then vested the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company. The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

12. Nature of Grant.

In accepting the RSUs, Participant acknowledges that: (a) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs even if RSUs have been granted repeatedly in the past; (b) all decisions with respect to future awards of RSUs, if any, will be at the sole discretion of the Company; (c) the future value of the underlying Shares is unknown and cannot be predicted with certainty; (d) in consideration of the award of RSUs, no claim or entitlement to compensation or damages shall arise from termination of the RSUs or any diminution in value of the RSUs or Shares received when the RSUs are earned resulting from the Participant’s termination of employment by the Company or any subsidiary (for any reason whatsoever and whether or not in breach of local employment laws), and Participant irrevocably releases the Company and/or the subsidiary from any such claim that may arise; (e) in the event of involuntary termination of Participant’s employment (whether or not in breach of local employment laws), Participant’s right to receive RSUs and vesting under the Plan, if any, will terminate effective as of the date that Participant is no longer actively employed and will not be extended by any notice period mandated under local law or contract, and the Company shall have the exclusive discretion to determine when Participant is no longer actively employed for purposes of the RSUs; (f) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant’s participation in the Plan, or Participant’s acquisition or sale of the underlying Shares; and (g) Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding Participant’s participation in the Plan before taking any action related to the Plan.

13. Miscellaneous.

- (a) Notices. All notices hereunder shall be in writing and shall be deemed given when sent by certified or registered mail, postage prepaid, return receipt requested, if to the Participant, to the address set forth on the cover sheet or at the most recent address shown on the records of the Company, and if to the Company, to the Company’s principal office, attention of the Corporate Secretary.
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- (b) Entire Agreement; Modification. This Agreement (including the cover sheet) and the Plan constitutes the entire agreement between the parties relative to the subject matter hereof, and supersedes all other communications between the parties relating to the subject matter of this Agreement. This Agreement may be modified, amended or rescinded by the Committee as it shall deem advisable, subject to any requirement for shareholder approval imposed by applicable law or other applicable rules, including, without limitation, the rules of the stock exchange on which the Shares are listed. If the Committee determines that the Award terms could result in adverse tax consequences to the Participant, the Committee may amend this Agreement without the consent of the Participant in order to minimize or eliminate such tax treatment.
 - (c) Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan will govern.
 - (d) Severability. The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision.
 - (e) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the heirs, legatees, distributees, executors and administrators of the Participant and the successors and assigns of the Company.
 - (f) Participant's Acceptance. The Participant is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Agreement, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Award and the provisions of the Plan, including as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award.
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- (g) Section 409A. This Agreement, the RSUs and payments made pursuant to this Agreement are intended to comply with or qualify for an exemption from the requirements of Section 409A and shall be construed consistently therewith and shall be interpreted in a manner consistent with that intention. Terms defined in the Agreement shall have the meanings given such terms under Section 409A if and to the extent required to comply with Section 409A. Notwithstanding any other provision of this Agreement, the Company reserves the right, to the extent the Company deems necessary or advisable, in its sole discretion, to unilaterally amend the Plan and/or this Agreement to ensure that all RSUs are awarded in a manner that qualifies for exemption from or complies with Section 409A, *provided, however*, that the Company makes no undertaking to preclude Section 409A from applying to this Award of RSUs. Any payments described in this Section 13(g) that are due within the “short term deferral period” as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. If and to the extent any portion of any payment, compensation or other benefit provided to the Participant in connection with his or her employment termination is determined to constitute “nonqualified deferred compensation” within the meaning of Section 409A and the Participant is a specified employee as defined in Section 409A(2)(B)(i) of the Code, as determined by the Company in accordance with its procedures, by which determination the Participant hereby agrees that he or she is bound, such portion of the payment, compensation or other benefit shall not be paid before the day that is six months plus one day after the date of separation from service (as determined under Section 409A (the “*New Payment Date*”)), except as Section 409A may then permit. The aggregate of any payments that otherwise would have been paid to the Participant during the period between the date of separation from service and the New Payment Date shall be paid to the Participant in a lump sum on such New Payment Date, and any remaining payments will be paid on their original schedule. Notwithstanding the foregoing, the Company, its subsidiaries, directors, officers and agents shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant, or for any action taken by the Committee.
- (h) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.
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- (i) Administrator Authority. The Committee will have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any RSUs have been earned). All actions taken and all interpretations and determinations made by the Committee in good faith will be final and binding upon Participant, the Company and all other interested persons.

 - (j) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs awarded under and participation in the Plan or future RSUs that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.
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Exhibit A

Automatic Sale Instructions

The undersigned hereby consents and agrees that any taxes due on a vesting date as a result of the vesting of RSUs on such date shall be paid through an automatic sale of shares as follows:

(a) Upon any vesting of RSUs pursuant to Section 3 hereof, the Company shall arrange for the sale of such number of shares of Common Stock issuable with respect to the RSUs that vest pursuant to Section 3 as is sufficient to generate net proceeds sufficient to satisfy the Company's minimum statutory withholding obligations with respect to the income recognized by the Participant upon the vesting of the RSUs (based on minimum statutory withholding rates for all tax purposes, including payroll and social security taxes, that are applicable to such income), and the Company shall retain such net proceeds in satisfaction of such tax withholding obligations.

(b) The Participant hereby appoints the Chief Executive Officer and Chief Financial Officer of the Company as his or her attorneys in fact to sell the Participant's Common Stock in accordance with this Exhibit A. The Participant agrees to execute and deliver such documents, instruments and certificates as may reasonably be required in connection with the sale of the Shares pursuant to this Exhibit A.

(c) The Participant represents to the Company that, as of the date hereof, he or she is not aware of any material nonpublic information about the Company or the Common Stock. The Participant and the Company have structured this Agreement, including this Exhibit A, to constitute a "binding contract" relating to the sale of Common Stock, consistent with the affirmative defense to liability under Section 10(b) of the Securities Exchange Act of 1934 under Rule 10b5-1(c) promulgated under such Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

Participant Name: _____

Date: _____

CASELLA WASTE SYSTEMS, INC.
2016 Incentive Plan

Restricted Stock Unit Agreement
Cover Sheet

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the “*Company*”), on the date set forth below (the “*Grant Date*”) to the person named below (the “*Participant*”) of an award of restricted stock units (the “*Award*”) based on the number of Continued Employment Units for the Vesting Period listed below. Each unit ultimately earned represents the right to receive one share of the Company’s Class A Common Stock, \$0.01 par value per share (“*Common Stock*”), or the value of such share. This Award is subject to the terms and conditions specified in the Casella Waste Systems, Inc. 2016 Incentive Plan (the “*Plan*”), and in this Agreement, consisting of this Cover Sheet and the attached Exhibit A.

Participant Name:	
Grant Date:	
Number of Continued Employment Units:	
Continued Employment Units Vesting Period:	

PARTICIPANT:

CASELLA WASTE SYSTEMS, INC.
25 Greens Hill Lane
Rutland, Vermont 05701

By: _____
John W. Casella, Chairman & CEO

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Cover Sheet and Exhibit A hereto (collectively, the “*Agreement*”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

For this Agreement to become binding, the Participant must accept this Award by signing and returning both copies to the Company within 30 days following notification of the grant. A fully executed copy will be returned to you for your records. Electronic acceptance of this Award pursuant to the Company’s instructions to Participant (including through an online acceptance process managed by the Company’s agent) is acceptable.

EXHIBIT A

CASELLA WASTE SYSTEMS, INC.

Restricted Stock Unit Agreement
2016 Incentive Plan

Terms and Conditions

1. Grant of Restricted Stock Units.

The Award is granted pursuant to and is subject to and governed by the Plan and the terms of this Agreement. It is a form of “**RSU**” as defined in the Plan. Unless otherwise defined in this Agreement, capitalized terms used herein shall have the same meaning as in the Plan. The shares of Common Stock that are issuable after the RSUs have been earned are referred to in this Agreement as “**Shares**.” The RSUs shall be granted to the Participant without payment of consideration (other than continuing services).

2. Continued Employment RSUs.

RSUs may be earned based on continued service to the Company (“**Continued Employment Units**”) as follows:

Continued Employment Units

Target Maximum: 100% of the Continued Employment Units on the Cover Sheet

3. Determination of Earned Continued Employment Units.

Unless otherwise provided in this Agreement or the Plan, shares will be earned on account of the Continued Employment Units in accordance with the following vesting schedule: one-third of the total number of Continued Employment Units shall be earned on the first anniversary of the Grant Date and an additional one-third of the total number of Continued Employment Units shall be earned on each of the second and third anniversaries of the Grant Date. Any fractional number of Continued Employment Units resulting from the application of the foregoing percentages shall be rounded down to the nearest whole number of Continued Employment Units.

4. Cessation of Business Relationship.

(a) Definitions. For purposes of this Section:

- (i) “**Beneficiary**” shall mean the last person or persons designated as such by the Participant in writing prior to the Participant’s death. If no such person survives the Participant, the Beneficiary shall be the Participant’s estate.
 - (ii) “**Disability**” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).
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- (b) Death or Disability. If the Participant's continuous service to the Company as an employee or director (a "**Business Relationship**") ceases as a result of the Participant's (i) death or (ii) Disability, the Participant (or the Participant's Beneficiary in the event of the Participant's death) shall be entitled to payment of all Shares.
- (c) Other Cessation of Business Relationship. If the Participant's Business Relationship ceases for any reason other than as described in Section 4(b), the Continued Employment Units which have not been earned pursuant to Section 3 prior to such cessation will be forfeited without the payment of any consideration to the Participant, effective as of such cessation, except as provided in this Section.
- (d) The Participant's Business Relationship shall be deemed to have ceased on the last day of active service to the Company and shall not be extended by any notice of termination period. For purposes hereof, a Business Relationship shall not be considered as having ceased during any leave of absence if such leave of absence has been approved in writing by the Company. For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company. Any change in the type of Business Relationship the Participant has within or among the Company and a parent, subsidiary, affiliate or division of the Company shall not be treated as a cessation of the Business Relationship for purposes of this Section so long as the Participant continuously maintains a Business Relationship.

5. Payment.

- (a) Within 60 days following the date on which any RSUs are earned, the Company shall distribute to the Participant (or to the Participant's Beneficiary in the event of death) the Shares represented by RSUs that were earned, subject to Section 11 hereof and upon the satisfaction of all other applicable conditions as to the RSUs; *provided, however*, that the Shares shall be distributed no later than the 15th day of the third month following the end of the Company's taxable year; *provided further, however*, that the Shares may be distributed following the date contemplated in this Section to the extent permitted under Section 409A ("**Section 409A**") of Internal Revenue Code of 1986, and the regulations, including the proposed regulations thereunder (the "**Code**") without the payment becoming subject to, and being treated as "nonqualified deferred compensation" within the meaning of Section 409A (such as where the Company reasonably anticipates that the payment will violate federal securities laws or other applicable laws). Payment of any earned RSUs shall be made in whole Shares. Earned RSUs shall be rounded down to the nearest whole Share, and the Company shall pay the value of any fractional Shares to the Participant in cash on the basis of the fair market value per share of Common Stock on the date of distribution (determined by reference to the closing price of the Common Stock on the principal exchange on which the Common Stock trades on the date of distribution, or if such date is not a trading date, on the next preceding trading date).
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- (b) The Company shall not be obligated to issue Shares to the Participant upon the earning of any RSUs unless the issuance and delivery of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable federal, state or foreign securities laws and the requirements of any stock exchange upon which Shares may be listed.
- (c) Anything in the foregoing to the contrary notwithstanding, RSUs granted under this Agreement may be suspended, delayed or otherwise deferred for any of the reasons contemplated in Sections 4 and 5 only to the extent such suspension, delay or deferral is permitted under Treas. Reg. §§1.409A-2(b)(7), 1.409A-1(b)(4)(ii) or successor provisions, or as otherwise permitted under Section 409A.

6. Option of Company to Deliver Cash.

Notwithstanding any of the other provisions of this Agreement, at the time when any RSUs are payable pursuant to Section 5, the Company may elect, in the sole discretion of the Committee, to deliver to the Participant in lieu of the Shares represented by RSUs that are then payable an equivalent amount of cash (determined by reference to the closing price of the Shares on the principal exchange on which the Shares trade on the applicable payment date or if such date is not a trading date, on the next preceding trading date). Such payments shall be made no later than the deadline set forth in Section 5(a) hereof. If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient to satisfy any tax withholding obligations as set forth in Section 11 hereof.

7. Restrictions on Transfer.

- (a) The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise encumber or dispose of any RSUs, either voluntarily or by operation of law. Any attempt to dispose of any RSUs in contravention of the above restriction shall be null and void and without effect.
- (b) The Company shall not be required (i) to transfer on its books any of the RSUs that have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such RSUs any transferee to whom such RSUs have been transferred in violation of any of the provisions contained herein.

8. No Obligation to Continue Business Relationship.

Neither the Plan, this Agreement, nor the grant of the RSUs imposes any obligation on the Company or its subsidiaries to have or continue a Business Relationship with the Participant.

9. No Rights as Stockholder.

The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares or the value thereof in accordance with the terms of this Agreement. The Participant shall have no rights as a shareholder with respect to the Shares underlying the RSUs. The Participant shall have no right to vote or receive dividends with respect to any Shares underlying the RSUs unless and until such Shares are distributed to the Participant.

10. Adjustments for Capital Changes; Reorganization and Change in Control Events.

The Plan contains provisions covering the treatment of RSUs in a number of contingencies such as stock splits and mergers. Provisions in the Plan for such adjustments are applicable hereunder and are incorporated herein by reference. The treatment of the RSUs in connection with a Reorganization Event or Change in Control Event is governed by Section 10 of the Plan.

11. Withholding Taxes.

The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the vesting of the RSUs. At such time as the Participant is not aware of any material nonpublic information about the Company or the Common Stock, the Participant shall execute the instructions set forth in Exhibit A attached hereto (the “**Automatic Sale Instructions**”) as the means of satisfying such tax obligation. If the Participant does not execute the Automatic Sale Instructions prior to the vesting date, then the Participant agrees that if under applicable law the Participant will owe taxes at such vesting date on the portion of the RSUs then vested the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company. The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

12. Nature of Grant.

In accepting the RSUs, Participant acknowledges that: (a) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs even if RSUs have been granted repeatedly in the past; (b) all decisions with respect to future awards of RSUs, if any, will be at the sole discretion of the Company; (c) the future value of the underlying Shares is unknown and cannot be predicted with certainty; (d) in consideration of the award of RSUs, no claim or entitlement to compensation or damages shall arise from termination of the RSUs or any diminution in value of the RSUs or Shares received when the RSUs are earned resulting from the Participant's termination of employment by the Company or any subsidiary (for any reason whatsoever and whether or not in breach of local employment laws), and Participant irrevocably releases the Company and/or the subsidiary from any such claim that may arise; (e) in the event of involuntary termination of Participant's employment (whether or not in breach of local employment laws), Participant's right to receive RSUs and vesting under the Plan, if any, will terminate effective as of the date that Participant is no longer actively employed and will not be extended by any notice period mandated under local law or contract, and the Company shall have the exclusive discretion to determine when Participant is no longer actively employed for purposes of the RSUs; (f) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares; and (g) Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding Participant's participation in the Plan before taking any action related to the Plan.

13. Miscellaneous.

- (a) Notices. All notices hereunder shall be in writing and shall be deemed given when sent by certified or registered mail, postage prepaid, return receipt requested, if to the Participant, to the address set forth on the cover sheet or at the most recent address shown on the records of the Company, and if to the Company, to the Company's principal office, attention of the Corporate Secretary.
 - (b) Entire Agreement; Modification. This Agreement (including the cover sheet) and the Plan constitutes the entire agreement between the parties relative to the subject matter hereof, and supersedes all other communications between the parties relating to the subject matter of this Agreement. This Agreement may be modified, amended or rescinded by the Committee as it shall deem advisable, subject to any requirement for shareholder approval imposed by applicable law or other applicable rules, including, without limitation, the rules of the stock exchange on which the Shares are listed. If the Committee determines that the Award terms could result in adverse tax consequences to the Participant, the Committee may amend this Agreement without the consent of the Participant in order to minimize or eliminate such tax treatment.
 - (c) Plan Governs. This Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan will govern.
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- (d) Severability. The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision.
 - (e) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the heirs, legatees, distributees, executors and administrators of the Participant and the successors and assigns of the Company.
 - (f) Participant's Acceptance. The Participant is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Agreement, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Award and the provisions of the Plan, including as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award.
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- (g) Section 409A. This Agreement, the RSUs and payments made pursuant to this Agreement are intended to comply with or qualify for an exemption from the requirements of Section 409A and shall be construed consistently therewith and shall be interpreted in a manner consistent with that intention. Terms defined in the Agreement shall have the meanings given such terms under Section 409A if and to the extent required to comply with Section 409A. Notwithstanding any other provision of this Agreement, the Company reserves the right, to the extent the Company deems necessary or advisable, in its sole discretion, to unilaterally amend the Plan and/or this Agreement to ensure that all RSUs are awarded in a manner that qualifies for exemption from or complies with Section 409A, provided, however, that the Company makes no undertaking to preclude Section 409A from applying to this Award of RSUs. Any payments described in this Section 13(g) that are due within the “short term deferral period” as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. If and to the extent any portion of any payment, compensation or other benefit provided to the Participant in connection with his or her employment termination is determined to constitute “nonqualified deferred compensation” within the meaning of Section 409A and the Participant is a specified employee as defined in Section 409A(2)(B)(i) of the Code, as determined by the Company in accordance with its procedures, by which determination the Participant hereby agrees that he or she is bound, such portion of the payment, compensation or other benefit shall not be paid before the day that is six months plus one day after the date of separation from service (as determined under Section 409A (the “**New Payment Date**”)), except as Section 409A may then permit. The aggregate of any payments that otherwise would have been paid to the Participant during the period between the date of separation from service and the New Payment Date shall be paid to the Participant in a lump sum on such New Payment Date, and any remaining payments will be paid on their original schedule. Notwithstanding the foregoing, the Company, its subsidiaries, directors, officers and agents shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant, or for any action taken by the Committee.
- (h) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.
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- (i) Administrator Authority. The Committee will have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any RSUs have been earned). All actions taken and all interpretations and determinations made by the Committee in good faith will be final and binding upon Participant, the Company and all other interested persons.

 - (j) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs awarded under and participation in the Plan or future RSUs that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.
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Exhibit A

Automatic Sale Instructions

The undersigned hereby consents and agrees that any taxes due on a vesting date as a result of the vesting of RSUs on such date shall be paid through an automatic sale of shares as follows:

(a) Upon any vesting of RSUs pursuant to Section 3 hereof, the Company shall arrange for the sale of such number of shares of Common Stock issuable with respect to the RSUs that vest pursuant to Section 3 as is sufficient to generate net proceeds sufficient to satisfy the Company's minimum statutory withholding obligations with respect to the income recognized by the Participant upon the vesting of the RSUs (based on minimum statutory withholding rates for all tax purposes, including payroll and social security taxes, that are applicable to such income), and the Company shall retain such net proceeds in satisfaction of such tax withholding obligations.

(b) The Participant hereby appoints the Chief Executive Officer and Chief Financial Officer of the Company as his or her attorneys in fact to sell the Participant's Common Stock in accordance with this Exhibit A. The Participant agrees to execute and deliver such documents, instruments and certificates as may reasonably be required in connection with the sale of the Shares pursuant to this Exhibit A.

(c) The Participant represents to the Company that, as of the date hereof, he or she is not aware of any material nonpublic information about the Company or the Common Stock. The Participant and the Company have structured this Agreement, including this Exhibit A, to constitute a "binding contract" relating to the sale of Common Stock, consistent with the affirmative defense to liability under Section 10(b) of the Securities Exchange Act of 1934 under Rule 10b5-1(c) promulgated under such Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

Participant Name: _____

Date: _____

CASELLA WASTE SYSTEMS, INC.

Performance-Based Stock Unit Agreement
Granted Under the 2016 Incentive Plan

1. Grant of Award.

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the “Company”) on _____, 201_ (the “Grant Date”) to you (the “Participant”) of performance-based stock units of the Company (individually, a “PSU” and collectively, the “PSUs”), subject to the terms and conditions set forth in this Performance-Based Stock Unit Agreement (the “Agreement”) and the Company’s 2016 Incentive Plan (the “Plan”). Each PSU represents the right to receive such number of shares of the Class A common stock, par value \$0.01 per share, of the Company (“Common Stock”) as provided in this Agreement. The target number of shares issuable under this Agreement is _____ (the “Target Number of Shares”). The maximum number of shares issuable under this Agreement is _____ (the “Maximum Number of Shares”). The actual number shares of Common Stock that are issuable upon vesting of the PSUs shall be calculated pursuant to the provisions of Schedule 1 and are referred to in this Agreement as “Shares.” Capitalized terms used but not defined in this Agreement shall have the meanings specified in the Plan.

2. Vesting; Forfeiture.

(a) Subject to the terms and conditions of this Agreement including, without limitation, Section 2(b) below and Section 6 below, the PSUs shall vest as set forth on Schedule 1 to this Agreement, based on the achievement of certain performance goals for the applicable performance period as set forth on Schedule 1. Such date or any other date on which PSUs vest under this Agreement shall be a “Vesting Date” as referred to herein.

(b) Except as otherwise provided in Section 2(c) or Section 6 below or in Schedule 1, PSUs shall not vest unless the Participant is, on the applicable Vesting Date, and has been at all times since the Grant Date, an employee or director of, or consultant or advisor to, the Company. For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company.

(c) Notwithstanding the foregoing, and notwithstanding anything to the contrary in any employment, severance or other agreement between the Participant and the Company (any such agreement, an “Employment Agreement”), if the Participant’s employment with the Company is terminated by the Company without Cause or by the Participant for Good Reason (each as defined below) during the performance period, then the Award shall remain outstanding and shall vest as set forth on Schedule 1 to this Agreement, based on the achievement of the performance goals for the applicable performance period as set forth on Schedule 1 as if the Participant had remained employed by the Company through the end of the performance period. If the Participant is party to an Employment Agreement with the Company that contains a definition of “cause” or “good reason” for termination of employment, the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 2(c). Otherwise, “Cause” shall have the meaning set forth in the Plan and “Good Reason” shall have the meaning specified in Section 6(f) below.

3. Distribution of Shares.

(a) Subject to Section 3(b) below, the Company will distribute to the Participant the Shares of Common Stock represented by vested PSUs within 75 days of the applicable Vesting Date but in no event later than March 15 of the year following the year in which the PSUs vest.

(b) The Company shall not be obligated to issue to the Participant the Shares upon the vesting of any PSU (or otherwise) unless the issuance and delivery of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable federal or state securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.

(c) Neither the Company nor the Participant shall have the right to accelerate or defer the delivery of any Shares under this Agreement except to the extent specifically permitted under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and in no event shall the Participant have the right to designate the tax year in which the Shares are delivered.

4. Restrictions on Transfer.

The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively "transfer") any PSUs, or any interest therein, except by will or the laws of descent and distribution.

5. Dividend and Other Shareholder Rights.

(a) Except as set forth in the Plan, neither the Participant nor any person claiming under or through the Participant shall be, or have any rights or privileges of, a stockholder of the Company in respect of the Shares issuable pursuant to the PSUs granted hereunder until the Shares have been delivered to the Participant.

(b) The Participant shall have the right to receive Dividend Equivalents with respect to the Shares in an amount equal to any dividends or other distributions declared and paid on an equal number of outstanding shares of Common Stock between the Grant Date and the date such Shares are delivered to the Participant. Any such Dividend Equivalents shall be accrued and shall be paid to the Participant in a lump sum at the time the Shares are delivered to the Participant hereunder.

6. Provisions of the Plan; Reorganization Event or Change in Control Event.

(a) This Agreement is subject to the provisions of the Plan, a copy of which is made available to the Participant with this Agreement.

(b) Upon the occurrence of a Reorganization Event (as defined in the Plan), the vesting and forfeiture provisions applicable to each PSU (whether vested or unvested) shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which the Common Stock was converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Common Stock subject to such PSU.

(c) Subject to Sections 6(d) and (e) hereof, upon the occurrence of a Change in Control Event (as defined in the Plan, and regardless of whether such event also constitutes a Reorganization Event, but provided that such event constitutes a “change in control event” within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i)), the acquiring or succeeding entity (or an affiliate thereof) shall assume each outstanding PSU such that, following the consummation of the Change in Control Event, the PSU confers the Participant with the right to receive, for each share of Common Stock subject to the Award, the consideration (whether cash, securities or other property) received by each holder of Common Stock immediately prior to the Change in Control Event (the “Replacement Award”), provided that (i) the vesting of such Replacement Award shall only be subject to the continued service requirement in Section 2(b) hereof through the end of the performance period (and the last day of the performance period shall be a Vesting Date for purposes of this Agreement) and shall not, for the avoidance of doubt, be subject to achievement of the performance goals set forth in Schedule 1 and (ii) the amount of cash, securities or other property subject to such Replacement Award shall be determined assuming that the number of Shares subject to the PSU is equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(d) In the event that the Participant’s employment is terminated by either the Company or its successor without Cause or by the Participant for Good Reason, in either case within twelve (12) months following a Change in Control Event, the remaining unvested portion of the Replacement Award shall become vested as of the date of the Participant’s termination of employment (and such date of termination shall be a Vesting Date for purposes of this Agreement). If the Participant is party to an Employment Agreement with the Company that contains a definition of “cause” or “good reason” for termination of employment, the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 6(d). Otherwise, “Cause” shall have the meaning set forth in the Plan and “Good Reason” shall have the meaning specified in Section 6(f) below.

(e) Notwithstanding the foregoing, in the event that the acquiring or succeeding entity (or an affiliate thereof) refuses to assume the PSUs and grant Replacement Awards in connection with a Change in Control Event, this Award shall become vested, immediately prior to the Change in Control Event, with respect to a number of Shares equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(f) For purposes of this Agreement, “Good Reason” shall mean (A) a material reduction in the Participant’s base compensation; or (B) a requirement that the Participant relocate to, or perform his or her principal job functions at, an office that is more than 100 miles from the office at which the Participant was previously performing his or her principal job functions; provided, however, that no such event shall constitute Good Reason unless (X) the Participant gives the Company a written notice of termination for Good Reason not more than 100 days after the initial existence of the condition, (Y) the grounds for termination (if susceptible to correction) are not corrected by the Company within 30 days of its receipt of such notice and (Z) the Participant’s termination occurs within 180 days following the Company’s receipt of such notice.

7. Taxes.

(a) Acknowledgments; No Section 83(b) Election. The Participant acknowledges that he or she is responsible for obtaining the advice of the Participant's own tax advisors with respect to the award of PSUs and the Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to the tax consequences relating to the PSUs. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's tax liability that may arise in connection with the acquisition, vesting and/or disposition of the PSUs. The Participant acknowledges that no election under Section 83(b) of the Code is available with respect to PSUs.

(b) Withholding. The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the vesting of the PSUs. At such time as the Participant is not aware of any material nonpublic information about the Company or the Common Stock, the Participant shall execute the instructions set forth in Schedule A attached hereto (the "Automatic Sale Instructions") as the means of satisfying such tax obligation. If the Participant does not execute the Automatic Sale Instructions prior to the Vesting Date, then the Participant agrees that if under applicable law the Participant will owe taxes at such Vesting Date on the portion of the Award then vested the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company. The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

(c) Section 409A. This Agreement is intended to be exempt from or to comply with Section 409A of the Code and shall be interpreted consistently therewith. If and to the extent (X) any portion of PSUs constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code, (Y) such portion of the PSUs becomes payable upon the Participant's separation from service pursuant to the terms of the Plan and this Agreement and (Z) the Participant is a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code, as determined by the Company in accordance with its procedures, by which determination the Participant (through accepting the Award) agrees that he or she is bound, such portion of PSUs shall not be paid before the day that is six months plus one day after the date of "separation from service" (as determined under Code Section 409A) (the "New Payment Date"), except as Code Section 409A may then permit. The aggregate of any PSUs that otherwise would have been paid to the Participant during the period between the date of separation from service and the New Payment Date shall be paid to the Participant in a lump sum on such New Payment Date. The Company shall have no liability to a Participant, or any other person, if this Agreement is not exempt from, or compliant with, Section 409A of the Code.

8. Miscellaneous.

(a) No Rights to Employment or Other Service. The Participant acknowledges and agrees that the vesting of the PSUs pursuant to Section 2 hereof is earned only by continuing service as an employee or director of, or consultant or advisor to, the Company at the will of the Company (not through the act of being hired or purchasing shares hereunder). The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee, director or other service provider for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 4 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 8(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement; Conflicts and Interpretation. This Agreement and the Plan constitute the entire agreement between the parties and supersede all prior agreements and understandings relating to the subject matter of this Agreement. In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Board of Directors (or a committee thereof) has the power, among other things, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

(h) Amendment. The Company may modify, amend or waive the terms of this Agreement prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Participant without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors (or a committee thereof) of the Company. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(i) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.

(j) Unfunded Rights. The right of the Participant to receive Common Stock pursuant to this Agreement is an unfunded and unsecured obligation of the Company. The Participant shall have no rights under this Agreement other than those of an unsecured general creditor of the Company.

(k) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the PSUs awarded under and participation in the Plan or future PSUs that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written. Electronic acceptance of this Agreement pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

By: _____

Name:

Title:

[Name of Participant]

Address:

Schedule A

Automatic Sale Instructions

The undersigned hereby consents and agrees that any taxes due on a vesting date as a result of the vesting of PSUs on such date shall be paid through an automatic sale of shares as follows:

(a) Upon any vesting of PSUs pursuant to Section 2 hereof, the Company shall arrange for the sale of such number of shares of Common Stock issuable with respect to the PSUs that vest pursuant to Section 2 as is sufficient to generate net proceeds sufficient to satisfy the Company's minimum statutory withholding obligations with respect to the income recognized by the Participant upon the vesting of the PSUs (based on minimum statutory withholding rates for all tax purposes, including payroll and social security taxes, that are applicable to such income), and the Company shall retain such net proceeds in satisfaction of such tax withholding obligations.

(b) The Participant hereby appoints the Chief Executive Officer and Chief Financial Officer of the Company, and either of them acting alone and with full power of substitution, to serve as his or her attorneys in fact to sell the Participant's Common Stock in accordance with this Schedule A. The Participant agrees to execute and deliver such documents, instruments and certificates as may reasonably be required in connection with the sale of the Shares pursuant to this Schedule A.

(c) The Participant represents to the Company that, as of the date hereof, he or she is not aware of any material nonpublic information about the Company or the Common Stock. The Participant and the Company have structured this Agreement, including this Schedule A, to constitute a "binding contract" relating to the sale of Common Stock, consistent with the affirmative defense to liability under Section 10(b) of the Securities Exchange Act of 1934 under Rule 10b5-1(c) promulgated under such Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

Participant Name: _____

Date: _____

COMPANY CONFIDENTIAL

SCHEDULE 1

VESTING CRITERIA FOR PSUs

A. Performance Objectives

The number of PSUs eligible to vest shall be based upon the Company's achievement of certain Free Cash Flow and Adjusted EBITDA objectives (each as defined below) (collectively, the "Performance Objectives") for the measurement period (the "Measurement Period") within the performance period (the "Performance Period"), each described below. The Free Cash Flow objective will be weighted []%, and the Adjusted EBITDA objective will be weighted []%. The last day of the Performance Period shall be a Vesting Date for purposes of this Agreement.

The number of Shares issuable upon vesting of the PSUs shall be determined based upon (i) the number of PSUs determined to be eligible to vest based on the level of achievement of the Performance Objectives during the Measurement Period multiplied by (ii) the Relative Total Shareholder Return Multiplier for the Performance Period (as defined below).

The Performance Period, the Measurement Period, and the Target Number of Shares and Maximum Number of Shares that can vest at the end of the Performance Period are as follows:

Performance Period	Measurement Period	Target Number of Shares for Performance Period	Maximum Number of Shares for Performance Period

"Free Cash Flow" shall mean the following amount determined for the Measurement Period: net cash provided by operating activities, less capital expenditures (excluding acquisition and rail infrastructure related capital expenditures), less payments on landfill operating lease contracts, plus proceeds from divestiture transactions, plus proceeds from the sale of property and equipment, plus proceeds from property insurance settlement, less contributions from (distributions to) noncontrolling interest holders, plus certain cash outflows associated with landfill closure, site improvement and remediation expenditures, plus certain cash outflows associated with new contract and project capital expenditures, plus cash (inflows) outflows associated with certain business dissolutions, plus cash interest outflows associated with the timing of refinancing transactions. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Adjusted EBITDA” shall mean the following amount determined for the Measurement Period: earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations, adjusted for the following items: gains or losses on assets sales or divestiture transactions; development project charge write-offs; legal, contract or tax settlement costs; bargain purchase gains; asset or goodwill impairment charges; environmental remediation charges; severance and reorganization costs; expenses from divestiture, acquisition and financing transactions; gains on the settlement of acquisition related contingent consideration; fiscal year-end transition costs; proxy contest costs; losses on the abandonment or the closure and discontinuation of operations. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Total Shareholder Return” shall mean the following amount determined for the Performance Period: $(\text{Ending Stock Price} + \text{Dividends Paid}) / \text{Initial Stock Price}$, which shall be based on (a) the average closing stock price during the 15 trading days prior to but not including the first day of the Performance Period (“Initial Stock Price”); (b) dividends paid between the first day of the Performance Period and the last day of the Performance Period, calculated on a per share basis using the ex-dividend date with respect to each such dividend (“Dividends Paid”); and (c) the average closing stock price during the 15 trading days prior to and including the last day of the Performance Period (“Ending Stock Price”).

“Relative Total Shareholder Return” shall mean: the Company’s Total Shareholder Return relative to the Russell 2000 Index.

The performance against target for each Performance Objective shall be calculated using the same methodology as that used by the Company in preparing its Financial Statements (as defined below); the calculation of any non-GAAP adjustments shall be made using the same methodology as that used by the Company to prepare non-GAAP financial information included in its public releases or used to operate the business. If, at the end of the Performance Period, the Company is required to make periodic reports under the Exchange Act, the Company’s consolidated financial statements filed with the Securities and Exchange Commission on Form 10-K shall constitute its “Public Company Financial Statements” and shall apply for such Performance Period. If, at the end of the Performance Period, the Company is not required to make periodic reports under the Exchange Act, the Company’s regularly prepared annual audited financial statements prepared by management shall be its “Private Company Financial Statements” and shall apply for the Performance Period. The applicable financial statements may be referred to herein as the “Financial Statements.”

The Compensation Committee shall certify in writing the level of achievement of the performance goals promptly following the end of the Performance Period, once the relevant Financial Statements have been finalized.

B. Calculation of Number of Shares Issuable

The number of Shares issuable at the end of the Performance Period shall be equal to (i) the Target Number of Shares multiplied by (ii) the percentage of the Target Number of Shares that are eligible to vest hereunder determined based on the level of achievement of the Performance Objectives, calculated under Step One below multiplied by (iii) the Relative Total Shareholder Return Multiplier, calculated under Step Two below.

Step One.

The percentage of the Target Number of Shares that is eligible to vest at the end of the Performance Period shall be equal to the sum of:

(i) the product of (x) []% and (y) the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) the Adjusted EBITDA Attainment Factor for the Performance Period.

The table below sets forth the associated Attainment Factor for the Free Cash Flow Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Free Cash Flow for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

The table below sets forth the associated Attainment Factor for the Adjusted EBITDA Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Adjusted EBITDA for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

In measuring the achievement of the Performance Objectives for the Measurement Period and calculating the related Attainment Factor, achievement will be linearly interpolated between the percentages set forth in the tables above based on actual results as determined and certified by the Compensation Committee. If the achievement of a Performance Objective for the Measurement Period is at or below the “minimum performance” level set forth in the tables above, the Attainment Factor for such Performance Objective shall be 0%.

By way of example only and not as an expression of expected results, assume that: (i) Free Cash Flow for the Measurement Period is \$[], resulting in an Attainment Factor for the Free Cash Flow Performance Objective of []% and (ii) the Adjusted EBITDA for the Measurement Period is \$[], resulting in an Attainment Factor for the Adjusted EBITDA Performance Objective of []%. The percentage of the Target Number of PSUs eligible to vest at the end of the Performance Period shall be equal to []%, calculated as the sum of:

(i) the product of (x) []% and (y) []%, the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) []%, the Adjusted EBITDA Attainment Factor for the Performance Period.

Step Two

The Relative Total Shareholder Return Multiplier is calculated in the manner set forth in the table below based on the Relative Total Shareholder Return for the Performance Period:

Level of Achievement	Relative Total Shareholder Return	Relative Total Shareholder Return Multiplier
Minimum		
Lower Mid		
Upper Mid		
Maximum		

In measuring the achievement of the Relative Total Shareholder Return for the Performance Period and calculating the related Relative Total Shareholder Return Multiplier, achievement will be linearly interpolated between the percentages set forth in the table above based on actual results as determined and certified by the Compensation Committee.

By way of example only and not as an expression of expected results, if the Relative Total Shareholder Return is []%, then the Relative Total Shareholder Return Multiplier would be []%. Continuing the above example, the number of Shares issuable pursuant to this PSU Agreement at the end of the Performance Period would be equal to (i) the Target Number of Shares for the Performance Period multiplied by (ii) []% (determined under Step One) multiplied by (iii) []% (determined under Step Two).

In no event may the number of Shares issuable at the end of the Performance Period exceed the Maximum Number of Shares for the Performance Period.

C. Effect of an Acquisition or Disposition by the Company

In the event that the Company closes an Acquisition Transaction or Disposition Transaction (each as defined below) during the Performance Period, the Compensation Committee shall make adjustments to affected performance targets to give effect to the expected impact on such targets of the applicable Acquisition Transaction or Disposition Transaction (including whether it is accretive or not) as determined by the Compensation Committee in its sole discretion exercised in good faith.

An "Acquisition Transaction" means (i) the purchase of more than 50% of the voting power of an entity, (ii) any merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution or share exchange involving the Company and an entity not previously owned by the Company, or (iii) the purchase or other acquisition (including, without limitation, via license outside of the ordinary course of business or joint venture) of assets that constitute more than 50% of another entity's total assets or assets that account for more than 50% of the consolidated net revenues or net income of such entity, in each case other than a Change in Control. A "Disposition Transaction" means the sale of a division, business unit or set of business operations and/or related assets to a third party.

All determinations of the Compensation Committee regarding the estimated impact of an Acquisition Transaction shall be final, binding and non-appealable. The cumulative impact of all Acquisition Transactions shall be set forth in a statement delivered upon delivery of the Shares of Common Stock represented by vested PSUs, if any, as contemplated by this Agreement. This Agreement shall be deemed to be automatically amended, without further action by the Company or the Participant, to give effect to any adjustments required by this Section C.

D. Effect of Death or Disability of the Participant

If the Participant dies or is disabled (within the meaning of Section 409A of the Code) prior to the end of the Performance Period, then the PSUs shall vest as to a number of Shares equal to the greater of (i) the Target Number of Shares for the Performance Period and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the Performance Period as if the death or disability had not occurred. The Shares of Common Stock represented by such vested PSUs shall be delivered to the Participant or the Participant's estate within 75 days following such death or disability.

CASELLA WASTE SYSTEMS, INC.

Performance-Based Stock Unit Agreement
Granted Under the 2016 Incentive Plan1. Grant of Award.

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the "Company") on _____, 201_ (the "Grant Date") to you (the "Participant") of performance-based stock units of the Company (individually, a "PSU" and collectively, the "PSUs"), subject to the terms and conditions set forth in this Performance-Based Stock Unit Agreement (the "Agreement") and the Company's 2016 Incentive Plan (the "Plan"). Each PSU represents the right to receive such number of shares of the Class A common stock, par value \$0.01 per share, of the Company ("Common Stock") as provided in this Agreement. The target number of shares issuable under this Agreement is _____ (the "Target Number of Shares"). The maximum number of shares issuable under this Agreement is _____ (the "Maximum Number of Shares"). The actual number shares of Common Stock that are issuable upon vesting of the PSUs shall be calculated pursuant to the provisions of Schedule 1 and are referred to in this Agreement as "Shares." Capitalized terms used but not defined in this Agreement shall have the meanings specified in the Plan.

2. Vesting; Forfeiture.

(a) Subject to the terms and conditions of this Agreement including, without limitation, Section 2(b) below and Section 6 below, the PSUs shall vest as set forth on Schedule 1 to this Agreement, based on the achievement of certain performance goals for the applicable performance period as set forth on Schedule 1. Such date or any other date on which PSUs vest under this Agreement shall be a "Vesting Date" as referred to herein.

(b) Except as otherwise provided in Section 6 below or in Schedule 1, PSUs shall not vest unless the Participant is, on the applicable Vesting Date, and has been at all times since the Grant Date, an employee or director of, or consultant or advisor to, the Company. For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company.

3. Distribution of Shares.

(a) Subject to Section 3(b) below, the Company will distribute to the Participant the Shares of Common Stock represented by vested PSUs within 75 days of the applicable Vesting Date but in no event later than March 15 of the year following the year in which the PSUs vest.

(b) The Company shall not be obligated to issue to the Participant the Shares upon the vesting of any PSU (or otherwise) unless the issuance and delivery of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable federal or state securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.

(c) Neither the Company nor the Participant shall have the right to accelerate or defer the delivery of any Shares under this Agreement except to the extent specifically permitted under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and in no event shall the Participant have the right to designate the tax year in which the Shares are delivered.

4. Restrictions on Transfer.

The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively “transfer”) any PSUs, or any interest therein, except by will or the laws of descent and distribution.

5. Dividend and Other Shareholder Rights.

(a) Except as set forth in the Plan, neither the Participant nor any person claiming under or through the Participant shall be, or have any rights or privileges of, a stockholder of the Company in respect of the Shares issuable pursuant to the PSUs granted hereunder until the Shares have been delivered to the Participant.

(b) The Participant shall have the right to receive Dividend Equivalents with respect to the Shares in an amount equal to any dividends or other distributions declared and paid on an equal number of outstanding shares of Common Stock between the Grant Date and the date such Shares are delivered to the Participant. Any such Dividend Equivalents shall be accrued and shall be paid to the Participant in a lump sum at the time the Shares are delivered to the Participant hereunder.

6. Provisions of the Plan; Reorganization Event or Change in Control Event.

(a) This Agreement is subject to the provisions of the Plan, a copy of which is made available to the Participant with this Agreement.

(b) Upon the occurrence of a Reorganization Event (as defined in the Plan), the vesting and forfeiture provisions applicable to each PSU (whether vested or unvested) shall inure to the benefit of the Company’s successor and shall apply to the cash, securities or other property which the Common Stock was converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Common Stock subject to such PSU.

(c) Subject to Sections 6(d) and (e) hereof, upon the occurrence of a Change in Control Event (as defined in the Plan, and regardless of whether such event also constitutes a Reorganization Event, but provided that such event constitutes a “change in control event” within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i)), the acquiring or succeeding entity (or an affiliate thereof) shall assume each outstanding PSU such that, following the consummation of the Change in Control Event, the PSU confers the Participant with the right to receive, for each share of Common Stock subject to the Award, the consideration (whether cash, securities or other property) received by each holder of Common Stock immediately prior to the Change in Control Event (the “Replacement Award”), provided that (i) the vesting of such Replacement Award shall only be subject to the continued service requirement in Section 2(b) hereof through the end of the performance period (and the last day of the performance period shall be a Vesting Date for purposes of this Agreement) and shall not, for the avoidance of doubt, be subject to achievement of the performance goals set forth in Schedule 1 and (ii) the amount of cash, securities or other property subject to such Replacement Award shall be determined assuming that the number of Shares subject to the PSU is equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(d) In the event that the Participant's employment is terminated by either the Company or its successor without Cause (as defined in the Plan), in either case within twelve (12) months following a Change in Control Event, the remaining unvested portion of the Replacement Award shall become vested as of the date of the Participant's termination of employment (and such date of termination shall be a Vesting Date for purposes of this Agreement).

(e) Notwithstanding the foregoing, in the event that the acquiring or succeeding entity (or an affiliate thereof) refuses to assume the PSUs and grant Replacement Awards in connection with a Change in Control Event, this Award shall become vested, immediately prior to the Change in Control Event, with respect to a number of Shares equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

7. Taxes.

(a) Acknowledgments; No Section 83(b) Election. The Participant acknowledges that he or she is responsible for obtaining the advice of the Participant's own tax advisors with respect to the award of PSUs and the Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to the tax consequences relating to the PSUs. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's tax liability that may arise in connection with the acquisition, vesting and/or disposition of the PSUs. The Participant acknowledges that no election under Section 83(b) of the Code is available with respect to PSUs.

(b) Withholding. The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the vesting of the PSUs. At such time as the Participant is not aware of any material nonpublic information about the Company or the Common Stock, the Participant shall execute the instructions set forth in Schedule A attached hereto (the "Automatic Sale Instructions") as the means of satisfying such tax obligation. If the Participant does not execute the Automatic Sale Instructions prior to the Vesting Date, then the Participant agrees that if under applicable law the Participant will owe taxes at such Vesting Date on the portion of the Award then vested the Company shall be entitled to immediate payment from the Participant of the amount of any tax required to be withheld by the Company. The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

(c) Section 409A. This Agreement is intended to be exempt from or to comply with Section 409A of the Code and shall be interpreted consistently therewith. If and to the extent (X) any portion of PSUs constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code, (Y) such portion of the PSUs becomes payable upon the Participant’s separation from service pursuant to the terms of the Plan and this Agreement and (Z) the Participant is a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code, as determined by the Company in accordance with its procedures, by which determination the Participant (through accepting the Award) agrees that he or she is bound, such portion of PSUs shall not be paid before the day that is six months plus one day after the date of “separation from service” (as determined under Code Section 409A) (the “New Payment Date”), except as Code Section 409A may then permit. The aggregate of any PSUs that otherwise would have been paid to the Participant during the period between the date of separation from service and the New Payment Date shall be paid to the Participant in a lump sum on such New Payment Date. The Company shall have no liability to a Participant, or any other person, if this Agreement is not exempt from, or compliant with, Section 409A of the Code.

8. Miscellaneous.

(a) No Rights to Employment or Other Service. The Participant acknowledges and agrees that the vesting of the PSUs pursuant to Section 2 hereof is earned only by continuing service as an employee or director of, or consultant or advisor to, the Company at the will of the Company (not through the act of being hired or purchasing shares hereunder). The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee, director or other service provider for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 4 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 8(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement; Conflicts and Interpretation. This Agreement and the Plan constitute the entire agreement between the parties and supersede all prior agreements and understandings relating to the subject matter of this Agreement. In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Board of Directors (or a committee thereof) has the power, among other things, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

(h) Amendment. The Company may modify, amend or waive the terms of this Agreement prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Participant without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors (or a committee thereof) of the Company. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(i) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws.

(j) Unfunded Rights. The right of the Participant to receive Common Stock pursuant to this Agreement is an unfunded and unsecured obligation of the Company. The Participant shall have no rights under this Agreement other than those of an unsecured general creditor of the Company.

(k) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the PSUs awarded under and participation in the Plan or future PSUs that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written. Electronic acceptance of this Agreement pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

By: _____

Name:

Title:

[Name of Participant]

Address:

Schedule A

Automatic Sale Instructions

The undersigned hereby consents and agrees that any taxes due on a vesting date as a result of the vesting of PSUs on such date shall be paid through an automatic sale of shares as follows:

(a) Upon any vesting of PSUs pursuant to Section 2 hereof, the Company shall arrange for the sale of such number of shares of Common Stock issuable with respect to the PSUs that vest pursuant to Section 2 as is sufficient to generate net proceeds sufficient to satisfy the Company's minimum statutory withholding obligations with respect to the income recognized by the Participant upon the vesting of the PSUs (based on minimum statutory withholding rates for all tax purposes, including payroll and social security taxes, that are applicable to such income), and the Company shall retain such net proceeds in satisfaction of such tax withholding obligations.

(b) The Participant hereby appoints the Chief Executive Officer and Chief Financial Officer of the Company, and either of them acting alone and with full power of substitution, to serve as his or her attorneys in fact to sell the Participant's Common Stock in accordance with this Schedule A. The Participant agrees to execute and deliver such documents, instruments and certificates as may reasonably be required in connection with the sale of the Shares pursuant to this Schedule A.

(c) The Participant represents to the Company that, as of the date hereof, he or she is not aware of any material nonpublic information about the Company or the Common Stock. The Participant and the Company have structured this Agreement, including this Schedule A, to constitute a "binding contract" relating to the sale of Common Stock, consistent with the affirmative defense to liability under Section 10(b) of the Securities Exchange Act of 1934 under Rule 10b5-1(c) promulgated under such Act.

The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

Participant Name: _____

Date: _____

COMPANY CONFIDENTIAL

SCHEDULE 1

VESTING CRITERIA FOR PSUs

A. Performance Objectives

The number of PSUs eligible to vest shall be based upon the Company's achievement of certain Free Cash Flow and Adjusted EBITDA objectives (each as defined below) (collectively, the "Performance Objectives") for the measurement period (the "Measurement Period") within the performance period (the "Performance Period"), each described below. The Free Cash Flow objective will be weighted []%, and the Adjusted EBITDA objective will be weighted []%. The last day of the Performance Period shall be a Vesting Date for purposes of this Agreement.

The number of Shares issuable upon vesting of the PSUs shall be determined based upon (i) the number of PSUs determined to be eligible to vest based on the level of achievement of the Performance Objectives during the Measurement Period multiplied by (ii) the Relative Total Shareholder Return Multiplier for the Performance Period (as defined below).

The Performance Period, the Measurement Period, and the Target Number of Shares and Maximum Number of Shares that can vest at the end of the Performance Period are as follows:

Performance Period	Measurement Period	Target Number of Shares for Performance Period	Maximum Number of Shares for Performance Period

"Free Cash Flow" shall mean the following amount determined for the Measurement Period: net cash provided by operating activities, less capital expenditures (excluding acquisition and rail infrastructure related capital expenditures), less payments on landfill operating lease contracts, plus proceeds from divestiture transactions, plus proceeds from the sale of property and equipment, plus proceeds from property insurance settlement, less contributions from (distributions to) noncontrolling interest holders, plus certain cash outflows associated with landfill closure, site improvement and remediation expenditures, plus certain cash outflows associated with new contract and project capital expenditures, plus cash (inflows) outflows associated with certain business dissolutions, plus cash interest outflows associated with the timing of refinancing transactions. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Adjusted EBITDA” shall mean the following amount determined for the Measurement Period: earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations, adjusted for the following items: gains or losses on assets sales or divestiture transactions; development project charge write-offs; legal, contract or tax settlement costs; bargain purchase gains; asset or goodwill impairment charges; environmental remediation charges; severance and reorganization costs; expenses from divestiture, acquisition and financing transactions; gains on the settlement of acquisition related contingent consideration; fiscal year-end transition costs; proxy contest costs; losses on the abandonment or the closure and discontinuation of operations. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Total Shareholder Return” shall mean the following amount determined for the Performance Period: $(\text{Ending Stock Price} + \text{Dividends Paid}) / \text{Initial Stock Price}$, which shall be based on (a) the average closing stock price during the 15 trading days prior to but not including the first day of the Performance Period (“Initial Stock Price”); (b) dividends paid between the first day of the Performance Period and the last day of the Performance Period, calculated on a per share basis using the ex-dividend date with respect to each such dividend (“Dividends Paid”); and (c) the average closing stock price during the 15 trading days prior to and including the last day of the Performance Period (“Ending Stock Price”).

“Relative Total Shareholder Return” shall mean: the Company’s Total Shareholder Return relative to the Russell 2000 Index.

The performance against target for each Performance Objective shall be calculated using the same methodology as that used by the Company in preparing its Financial Statements (as defined below); the calculation of any non-GAAP adjustments shall be made using the same methodology as that used by the Company to prepare non-GAAP financial information included in its public releases or used to operate the business. If, at the end of the Performance Period, the Company is required to make periodic reports under the Exchange Act, the Company’s consolidated financial statements filed with the Securities and Exchange Commission on Form 10-K shall constitute its “Public Company Financial Statements” and shall apply for such Performance Period. If, at the end of the Performance Period, the Company is not required to make periodic reports under the Exchange Act, the Company’s regularly prepared annual audited financial statements prepared by management shall be its “Private Company Financial Statements” and shall apply for the Performance Period. The applicable financial statements may be referred to herein as the “Financial Statements.”

The Compensation Committee shall certify in writing the level of achievement of the performance goals promptly following the end of the Performance Period, once the relevant Financial Statements have been finalized.

B. Calculation of Number of Shares Issuable

The number of Shares issuable at the end of the Performance Period shall be equal to (i) the Target Number of Shares multiplied by (ii) the percentage of the Target Number of Shares that are eligible to vest hereunder determined based on the level of achievement of the Performance Objectives, calculated under Step One below multiplied by (iii) the Relative Total Shareholder Return Multiplier, calculated under Step Two below.

Step One.

The percentage of the Target Number of Shares that is eligible to vest at the end of the Performance Period shall be equal to the sum of:

(i) the product of (x) []% and (y) the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) the Adjusted EBITDA Attainment Factor for the Performance Period.

The table below sets forth the associated Attainment Factor for the Free Cash Flow Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Free Cash Flow for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

The table below sets forth the associated Attainment Factor for the Adjusted EBITDA Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Adjusted EBITDA for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

In measuring the achievement of the Performance Objectives for the Measurement Period and calculating the related Attainment Factor, achievement will be linearly interpolated between the percentages set forth in the tables above based on actual results as determined and certified by the Compensation Committee. If the achievement of a Performance Objective for the Measurement Period is at or below the “minimum performance” level set forth in the tables above, the Attainment Factor for such Performance Objective shall be 0%.

By way of example only and not as an expression of expected results, assume that: (i) Free Cash Flow for the Measurement Period is \$[], resulting in an Attainment Factor for the Free Cash Flow Performance Objective of []% and (ii) the Adjusted EBITDA for the Measurement Period is \$[], resulting in an Attainment Factor for the Adjusted EBITDA Performance Objective of []%. The percentage of the Target Number of PSUs eligible to vest at the end of the Performance Period shall be equal to []%, calculated as the sum of:

(i) the product of (x) []% and (y) []%, the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) []%, the Adjusted EBITDA Attainment Factor for the Performance Period.

Step Two

The Relative Total Shareholder Return Multiplier is calculated in the manner set forth in the table below based on the Relative Total Shareholder Return for the Performance Period:

Level of Achievement	Relative Total Shareholder Return	Relative Total Shareholder Return Multiplier
Minimum		
Lower Mid		
Upper Mid		
Maximum		

In measuring the achievement of the Relative Total Shareholder Return for the Performance Period and calculating the related Relative Total Shareholder Return Multiplier, achievement will be linearly interpolated between the percentages set forth in the table above based on actual results as determined and certified by the Compensation Committee.

By way of example only and not as an expression of expected results, if the Relative Total Shareholder Return is []%, then the Relative Total Shareholder Return Multiplier would be []%. Continuing the above example, the number of Shares issuable pursuant to this PSU Agreement at the end of the Performance Period would be equal to (i) the Target Number of Shares for the Performance Period multiplied by (ii) []% (determined under Step One) multiplied by (iii) []% (determined under Step Two).

In no event may the number of Shares issuable at the end of the Performance Period exceed the Maximum Number of Shares for the Performance Period.

C. Effect of an Acquisition or Disposition by the Company

In the event that the Company closes an Acquisition Transaction or Disposition Transaction (each as defined below) during the Performance Period, the Compensation Committee shall make adjustments to affected performance targets to give effect to the expected impact on such targets of the applicable Acquisition Transaction or Disposition Transaction (including whether it is accretive or not) as determined by the Compensation Committee in its sole discretion exercised in good faith.

An "Acquisition Transaction" means (i) the purchase of more than 50% of the voting power of an entity, (ii) any merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution or share exchange involving the Company and an entity not previously owned by the Company, or (iii) the purchase or other acquisition (including, without limitation, via license outside of the ordinary course of business or joint venture) of assets that constitute more than 50% of another entity's total assets or assets that account for more than 50% of the consolidated net revenues or net income of such entity, in each case other than a Change in Control. A "Disposition Transaction" means the sale of a division, business unit or set of business operations and/or related assets to a third party.

All determinations of the Compensation Committee regarding the estimated impact of an Acquisition Transaction shall be final, binding and non-appealable. The cumulative impact of all Acquisition Transactions shall be set forth in a statement delivered upon delivery of the Shares of Common Stock represented by vested PSUs, if any, as contemplated by this Agreement. This Agreement shall be deemed to be automatically amended, without further action by the Company or the Participant, to give effect to any adjustments required by this Section C.

D. Effect of Death or Disability of the Participant

If the Participant dies or is disabled (within the meaning of Section 409A of the Code) prior to the end of the Performance Period, then the PSUs shall vest as to a number of Shares equal to the greater of (i) the Target Number of Shares for the Performance Period and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the Performance Period as if the death or disability had not occurred. The Shares of Common Stock represented by such vested PSUs shall be delivered to the Participant or the Participant's estate within 75 days following such death or disability.

CASELLA WASTE SYSTEMS, INC.

2016 Incentive Plan

Restricted Stock Agreement

Name of Recipient:

Number of shares of restricted Class A common stock
awarded:

Grant Date:

Casella Waste Systems, Inc. (the “*Company*”) has selected you to receive the restricted stock award described above, which is subject to the provisions of the Company’s 2016 Incentive Plan (the “*Plan*”), and the terms and conditions contained in this Restricted Stock Agreement (the “*Agreement*”). Please confirm your acceptance of this restricted stock award and of the terms and conditions of this Agreement by signing a copy of this Agreement where indicated below.

By accepting this Award, you hereby (i) acknowledge that a copy of the Plan and a copy of the Plan prospectus have been delivered to you and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledge receipt of a copy of this Agreement and accept the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represent that you have read and understand the Plan, the Plan prospectus and the Agreement, and (iv) acknowledge that there are tax consequences related to the Award and that you should consult a tax advisor to determine your actual tax consequences.

Electronic acceptance of this Award pursuant to the Company’s instructions to you (including through an online acceptance process managed by the Company’s agent) is acceptable.

Casella Waste Systems, Inc.

By: _____
John W. Casella
Chief Executive Officer

Accepted and Agreed:

[Name of Participant]

CASELLA WASTE SYSTEMS, INC.

**Restricted Stock Agreement
2016 Incentive Plan**

The terms and conditions of the award of shares of restricted Class A common stock of the Company (the “*Restricted Shares*”) made to the Recipient, as set forth on the cover page of this Agreement, are as follows:

1. Issuance of Restricted Shares.

(a) The Restricted Shares are issued to the Recipient, effective as of the Grant Date (as set forth on the cover page of this Agreement), in consideration of service as a director of the Company.

(b) The Restricted Shares will initially be issued by the Company in book entry form only, in the name of the Recipient. Following the vesting of any Restricted Shares pursuant to Section 2 below, the Company shall, if requested by the Recipient, issue and deliver to the Recipient a certificate representing the vested Restricted Shares. The Recipient agrees that the Restricted Shares shall be subject to the forfeiture provisions set forth in Section 4 of this Agreement and the restrictions on transfer set forth in Section 5 of this Agreement.

2. Vesting Schedule. Unless otherwise provided in this Agreement or the Plan, the Restricted Shares shall vest in accordance with the following vesting schedule: one-third of the total number of Restricted Shares shall vest on the first anniversary of the Grant Date and an additional one-third of the total number of Restricted Shares shall vest on each of the second and third anniversaries of the Grant Date. Any fractional number of Restricted Shares resulting from the application of the foregoing percentages shall be rounded down to the nearest whole number of Restricted Shares.

3. Change in Control Event. Notwithstanding the foregoing vesting schedule, all unvested Restricted Shares shall vest immediately prior to a Change in Control Event (as defined in the Plan).

4. Forfeiture of Unvested Restricted Shares Upon Termination of Relationship with Company.

(a) Except as provided in Section 4(b) below, in the event that the Recipient ceases to be an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company (an “*Eligible Participant*”) for any reason or no reason, with or without cause, all of the Restricted Shares that are unvested as of the time Recipient ceases to be an Eligible Participant shall be forfeited immediately and automatically to the Company, without the payment of any consideration to the Recipient, effective as of such cessation. The Recipient shall have no further rights with respect to any Restricted Shares that are so forfeited.

(b) Notwithstanding the foregoing, if the Recipient ceases to be an Eligible Participant as a result of the Recipient's death or Disability (as defined below), all unvested Restricted Shares shall vest in full immediately upon such cessation. For purposes of this Section, "**Disability**" with respect to the Recipient occurs, when and if, as a result of disease, injury or mental disorder, the Recipient is incapable of engaging in regular service with the Company, which incapacity has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.

5. **Restrictions on Transfer.** The Recipient shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively "**transfer**") any Restricted Shares, or any interest therein, until such Restricted Shares have vested, except that the Recipient may transfer such Restricted Shares: (a) to or for the benefit of any spouse, children, parents, uncles, aunts, siblings, grandchildren and any other relatives approved by the Compensation Committee (collectively, "**Approved Relatives**") or to a trust established solely for the benefit of the Recipient and/or Approved Relatives, provided that such Restricted Shares shall remain subject to this Agreement (including without limitation the forfeiture provisions set forth in Section 4 and the restrictions on transfer set forth in this Section 5) and such permitted transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement; or (b) as part of the sale of all or substantially all of the shares of capital stock of the Company (including pursuant to a merger or consolidation). The Company shall not be required (i) to transfer on its books any of the Restricted Shares which have been transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Restricted Shares or to pay dividends to any transferee to whom such Restricted Shares have been transferred in violation of any of the provisions of this Agreement.

6. **Restrictive Legends.** The book entry account reflecting the issuance of the Restricted Shares in the name of the Recipient shall bear a legend or other notation upon substantially the following terms:

"These shares of stock are subject to forfeiture provisions and restrictions on transfer set forth in a certain Restricted Stock Agreement between the corporation and the registered owner of these shares (or his or her predecessor in interest), and such Agreement is available for inspection without charge at the office of the Secretary of the corporation."

7. **Rights as a Shareholder.** Except as otherwise provided in this Agreement, for so long as the Recipient is the registered owner of the Restricted Shares, the Recipient shall have all rights as a shareholder with respect to the Restricted Shares, whether vested or unvested, including, without limitation, any rights to vote the Restricted Shares and act in respect of the Restricted Shares at any meeting of shareholders; *provided, however*, that the Recipient's rights to receive dividends shall be governed by Section 7(c)(1) of the Plan and any dividends declared and paid by the Company with respect to the Restricted Shares shall be paid to the Participant only if and when such shares become free from the restrictions on transferability and forfeitability that apply to such shares.

8. Provisions of the Plan. This Agreement is subject to the provisions of the Plan, a copy of which is furnished to the Recipient with this Agreement.

9. Tax Matters; Acknowledgments; Section 83(b) Election. The Recipient acknowledges that he or she is responsible for obtaining the advice of the Recipient's own tax advisors with respect to the acquisition of the Restricted Shares and the Recipient is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to the tax consequences relating to the Restricted Shares. The Recipient understands that the Recipient (and not the Company) shall be responsible for the Recipient's tax liability that may arise in connection with the acquisition, vesting and/or disposition of the Restricted Shares. The Recipient acknowledges that he or she has been informed of the availability of making an election under Section 83(b) of the Code with respect to the issuance of the Restricted Shares and that the Recipient has decided not to file a Section 83(b) election.

10. Miscellaneous.

(a) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.

(b) Recipient's Acknowledgments. The Recipient acknowledges that he or she has read this Agreement, has received and read the Plan, and understands the terms and conditions of this Agreement and the Plan.

(c) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the Restricted Shares awarded under and participation in the Plan or future Restricted Shares that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

CASELLA WASTE SYSTEMS, INC.
INCENTIVE STOCK OPTION AGREEMENT

Casella Waste Systems, Inc. (the “Company”) hereby grants the following stock option pursuant to its 2016 Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Notice of Grant

Name of optionee (the “ <u>Participant</u> ”):	
Grant Date:	
Number of shares of the Company’s Class A Common Stock subject to this option (“ <u>Shares</u> ”):	
Option exercise price per Share: ¹	
Number, if any, of Shares that vest immediately on the grant date:	
Shares that are subject to vesting schedule:	
Vesting Start Date:	
Final Exercise Date: ²	

Vesting Schedule:

All vesting is dependent on the Participant remaining an Eligible Participant, as provided herein.	

This option satisfies in full all commitments that the Company has to the Participant with respect to the issuance of stock, stock options or other equity securities.

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Notice of Grant and the terms and conditions attached hereto (collectively, the “Agreement”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

Electronic acceptance of this Award pursuant to the Company’s instructions to Participant (including through an online acceptance process managed by the Company’s agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

 Signature of Participant

 Street Address

 City/State/Zip Code

By: _____
 Name of Officer
 Title:

¹ This must be at least 100% of the fair market value of the Common Stock on the date of grant (or 110% in the case of a Participant that owns more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary (a “10% Shareholder”) for the option to qualify as an incentive stock option (an “ISO”) under Section 422 of the Code.

² The Final Exercise Date must be no more than 10 years (5 years in the case of a 10% Shareholder) from the date of grant for the option to qualify as an ISO. The correct approach

to calculate the final exercise date is to use the day immediately prior to the date ten years out from the date of the stock option award grant (5 years in the case of a 10% stockholder). For example, an award granted to someone on August 1, 2016 would expire on July 31, 2026 (not on August 1, 2026).

CASELLA WASTE SYSTEMS, INC.
Incentive Stock Option Agreement
Incorporated Terms and Conditions

1. Grant of Option.

This Agreement evidences the grant by the Company on the grant date (the “Grant Date”) set forth in the Notice of Grant that forms part of this Agreement (the “Notice of Grant”) to the Participant of an option to purchase, in whole or in part, on the terms provided herein and in the Company’s 2016 Incentive Plan (the “Plan”), the number of Shares set forth in the Notice of Grant of Class A Common Stock, \$0.01 par value per share, of the Company (“Common Stock”) at the exercise price per Share set forth in the Notice of Grant. Unless earlier terminated, this option shall expire at 5:00 p.m., Eastern time, on the Final Exercise Date set forth in the Notice of Grant (the “Final Exercise Date”).

It is intended that the option evidenced by this Agreement shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “Code”) to the maximum extent permitted by law. Except as otherwise indicated by the context, the term “Participant”, as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

(a) This option is exercisable in accordance with the vesting schedule set forth in the Notice of Grant. This option shall expire upon, and will not be exercisable after, the Final Exercise Date. The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

(b) If the Participant ceases to be an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code (an “Eligible Participant”) as a result of the Participant’s (i) death, (ii) Disability, or (iii) termination of employment by the Company without Cause or by the Participant for Good Reason (does not apply to voluntarily termination of employment by Participant), this option shall become immediately exercisable as to all of the Shares subject to this option, effective as of such cessation. The Participant shall only be entitled to exercise this option following such cessation as provided in Section 3 below.

(c) For purposes of this Agreement:

(1) “Cause” shall have the meaning set forth in the Plan, provided, however, that if the Participant is party to any employment, severance or other agreement with the Company (any such agreement, an “Employment Agreement”) that contains a definition of “cause,” the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Agreement.

(2) “Disability” or “Disabled” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

(3) “Good Reason” shall mean (A) a material reduction in the Participant’s base compensation; or (B) a requirement that the Participant relocate to, or perform his or her principal job functions at, an office that is more than 100 miles from the office at which the Participant was previously performing his or her principal job functions; provided, however, that no such event shall constitute Good Reason unless (X) the Participant gives the Company a written notice of termination for Good Reason not more than 100 days after the initial existence of the condition, (Y) the grounds for termination (if susceptible to correction) are not corrected by the Company within 30 days of its receipt of such notice and (Z) the Participant’s termination occurs within 180 days following the Company’s receipt of such notice, and further provided that if the Participant is party to an Employment Agreement that contains a definition of “good reason,” the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Agreement.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

(1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the “Board”), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause, the right to exercise this option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

5. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

6. Disqualifying Disposition.

If the Participant disposes of Shares acquired upon exercise of this option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this option, the Participant shall notify the Company in writing of such disposition.

7. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

8. Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to this option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

EXHIBIT A

NOTICE OF STOCK OPTION EXERCISE

Date: _____³

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of an Incentive Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____⁴ for the purchase of _____⁵ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁶ per share.

I hereby exercise my option to purchase _____⁷ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁸ in the amount of _____⁹. Please register my stock certificate as follows:

Name(s): _____¹⁰

Address: _____

Tax I.D. #: _____¹¹

Very truly yours,

(Signature)

³ Enter the date of exercise.

⁴ Enter the date of grant.

⁵ Enter the total number of shares of Common Stock for which the option was granted.

⁶ Enter the option exercise price per share of Common Stock.

⁷ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁸ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁹ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

¹⁰ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

¹¹ Social Security Number of Holder(s).

CASELLA WASTE SYSTEMS, INC.
NONSTATUTORY STOCK OPTION AGREEMENT

Casella Waste Systems, Inc. (the “Company”) hereby grants the following stock option pursuant to its 2016 Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Notice of Grant

Name of optionee (the “ <u>Participant</u> ”):	
Grant Date:	
Number of shares of the Company’s Class A Common Stock subject to this option (“ <u>Shares</u> ”):	
Option exercise price per Share:	
Number, if any, of Shares that vest immediately on the grant date:	
Shares that are subject to vesting schedule:	
Vesting Start Date:	
Final Exercise Date:	

Vesting Schedule:

All vesting is dependent on the Participant remaining an Eligible Participant, as provided herein.	

This option satisfies in full all commitments that the Company has to the Participant with respect to the issuance of stock, stock options or other equity securities.

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Notice of Grant and the terms and conditions attached hereto (collectively, the “Agreement”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

Electronic acceptance of this Award pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

Signature of Participant

Street Address

City/State/Zip Code

By: _____
Name of Officer
Title:

CASELLA WASTE SYSTEMS, INC.
Nonstatutory Stock Option Agreement
Incorporated Terms and Conditions

1. Grant of Option.

This Agreement evidences the grant by the Company on the grant date (the "Grant Date") set forth in the Notice of Grant that forms part of this Agreement (the "Notice of Grant") to the Participant of an option to purchase, in whole or in part, on the terms provided herein and in the Company's 2016 Incentive Plan (the "Plan"), the number of Shares set forth in the Notice of Grant of Class A Common Stock, \$0.01 par value per share, of the Company ("Common Stock") at the exercise price per Share set forth in the Notice of Grant. Unless earlier terminated, this option shall expire at 5:00 p.m., Eastern time, on the Final Exercise Date set forth in the Notice of Grant (the "Final Exercise Date").

It is intended that the option evidenced by this Agreement shall not be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code"). Except as otherwise indicated by the context, the term "Participant", as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

(a) This option is exercisable in accordance with the vesting schedule set forth in the Notice of Grant. This option shall expire upon, and will not be exercisable after, the Final Exercise Date. The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

(b) If the Participant ceases to be an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code (an "Eligible Participant") as a result of the Participant's (i) death, (ii) Disability, or (iii) termination of employment by the Company without Cause or by the Participant for Good Reason (does not apply to voluntarily termination of employment by Participant), this option shall become immediately exercisable as to all of the Shares subject to this option, effective as of such cessation. The Participant shall only be entitled to exercise this option following such cessation as provided in Section 3 below.

(c) For purposes of this Agreement:

(1) "Cause" shall have the meaning set forth in the Plan, *provided, however*, that if the Participant is party to any employment, severance or other agreement with the Company (any such agreement, an "Employment Agreement") that contains a definition of "cause," the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Agreement.

(2) “Disability” or “Disabled” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

(3) “Good Reason” shall mean (A) a material reduction in the Participant’s base compensation; or (B) a requirement that the Participant relocate to, or perform his or her principal job functions at, an office that is more than 100 miles from the office at which the Participant was previously performing his or her principal job functions; provided, however, that no such event shall constitute Good Reason unless (X) the Participant gives the Company a written notice of termination for Good Reason not more than 100 days after the initial existence of the condition, (Y) the grounds for termination (if susceptible to correction) are not corrected by the Company within 30 days of its receipt of such notice and (Z) the Participant’s termination occurs within 180 days following the Company’s receipt of such notice, and further provided that if the Participant is party to an Employment Agreement that contains a definition of “good reason,” the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Agreement.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

(1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the “Board”), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause, the right to exercise this option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

5. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

6. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

7. Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to this option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

EXHIBIT A

NOTICE OF STOCK OPTION EXERCISE

Date: _____¹

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of a Nonstatutory Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____² for the purchase of _____³ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁴ per share.

I hereby exercise my option to purchase _____⁵ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁶ in the amount of _____⁷. Please register my stock certificate as follows:

Name(s): _____⁸

Address: _____

Tax I.D. #: _____⁹

Very truly yours,

(Signature)

¹ Enter the date of exercise.

² Enter the date of grant.

³ Enter the total number of shares of Common Stock for which the option was granted.

⁴ Enter the option exercise price per share of Common Stock.

⁵ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁶ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁷ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

⁸ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

⁹ Social Security Number of Holder(s).

Form for Persons without Employment Agreements

CASELLA WASTE SYSTEMS, INC.
INCENTIVE STOCK OPTION AGREEMENT

Casella Waste Systems, Inc. (the “Company”) hereby grants the following stock option pursuant to its 2016 Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Notice of Grant

Name of optionee (the “ <u>Participant</u> ”):	
Grant Date:	
Number of shares of the Company’s Class A Common Stock subject to this option (“ <u>Shares</u> ”):	
Option exercise price per Share: ¹	
Number, if any, of Shares that vest immediately on the grant date:	
Shares that are subject to vesting schedule:	
Vesting Start Date:	
Final Exercise Date: ²	

Vesting Schedule:

All vesting is dependent on the Participant remaining an Eligible Participant, as provided herein.	

This option satisfies in full all commitments that the Company has to the Participant with respect to the issuance of stock, stock options or other equity securities.

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Notice of Grant and the terms and conditions attached hereto (collectively, the “Agreement”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

Electronic acceptance of this Award pursuant to the Company’s instructions to Participant (including through an online acceptance process managed by the Company’s agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

 Signature of Participant

 Street Address

 City/State/Zip Code

By: _____
 Name of Officer
 Title:

¹ This must be at least 100% of the fair market value of the Common Stock on the date of grant (or 110% in the case of a Participant that owns more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary (a “10% Shareholder”) for the option to qualify as an incentive stock option (an “ISO”) under Section 422 of the Code.

² The Final Exercise Date must be no more than 10 years (5 years in the case of a 10% Shareholder) from the date of grant for the option to qualify as an ISO. The correct approach

to calculate the final exercise date is to use the day immediately prior to the date ten years out from the date of the stock option award grant (5 years in the case of a 10% stockholder). For example, an award granted to someone on August 1, 2016 would expire on July 31, 2026 (not on August 1, 2026).

CASELLA WASTE SYSTEMS, INC.
Incentive Stock Option Agreement
Incorporated Terms and Conditions

1. Grant of Option.

This Agreement evidences the grant by the Company on the grant date (the “Grant Date”) set forth in the Notice of Grant that forms part of this Agreement (the “Notice of Grant”) to the Participant of an option to purchase, in whole or in part, on the terms provided herein and in the Company’s 2016 Incentive Plan (the “Plan”), the number of Shares set forth in the Notice of Grant of Class A Common Stock, \$0.01 par value per share, of the Company (“Common Stock”) at the exercise price per Share set forth in the Notice of Grant. Unless earlier terminated, this option shall expire at 5:00 p.m., Eastern time, on the Final Exercise Date set forth in the Notice of Grant (the “Final Exercise Date”).

It is intended that the option evidenced by this Agreement shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “Code”) to the maximum extent permitted by law. Except as otherwise indicated by the context, the term “Participant”, as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

(a) This option is exercisable in accordance with the vesting schedule set forth in the Notice of Grant. This option shall expire upon, and will not be exercisable after, the Final Exercise Date. The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

(b) If the Participant ceases to be an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code (an “Eligible Participant”) as a result of the Participant’s (i) death or (ii) Disability, this option shall become immediately exercisable as to all of the Shares subject to this option, effective as of such cessation. The Participant shall only be entitled to exercise this option following such cessation as provided in Section 3 below.

(c) For purposes of this Agreement, “Disability” or “Disabled” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

- (1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the "Board"), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause (as defined in the Plan), the right to exercise this option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

5. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

6. Disqualifying Disposition.

If the Participant disposes of Shares acquired upon exercise of this option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this option, the Participant shall notify the Company in writing of such disposition.

7. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

8. Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to this option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

EXHIBIT A

NOTICE OF STOCK OPTION EXERCISE

Date: _____³

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of an Incentive Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____⁴ for the purchase of _____⁵ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁶ per share.

I hereby exercise my option to purchase _____⁷ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁸ in the amount of _____⁹. Please register my stock certificate as follows:

Name(s): _____¹⁰

Address: _____

Tax I.D. #: _____¹¹

Very truly yours,

(Signature)

³ Enter the date of exercise.

⁴ Enter the date of grant.

⁵ Enter the total number of shares of Common Stock for which the option was granted.

⁶ Enter the option exercise price per share of Common Stock.

⁷ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁸ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁹ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

¹⁰ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

¹¹ Social Security Number of Holder(s).

CASELLA WASTE SYSTEMS, INC.
NONSTATUTORY STOCK OPTION AGREEMENT

Casella Waste Systems, Inc. (the “Company”) hereby grants the following stock option pursuant to its 2016 Incentive Plan. The terms and conditions attached hereto are also a part hereof.

Notice of Grant

Name of optionee (the “ <u>Participant</u> ”):	
Grant Date:	
Number of shares of the Company’s Class A Common Stock subject to this option (“ <u>Shares</u> ”):	
Option exercise price per Share:	
Number, if any, of Shares that vest immediately on the grant date:	
Shares that are subject to vesting schedule:	
Vesting Start Date:	
Final Exercise Date:	

Vesting Schedule:

All vesting is dependent on the Participant remaining an Eligible Participant, as provided herein.	

This option satisfies in full all commitments that the Company has to the Participant with respect to the issuance of stock, stock options or other equity securities.

By accepting this Award, the Participant hereby (i) acknowledges that a copy of the Plan and a copy of the Plan prospectus have been delivered to the Participant and additional copies thereof are available upon request from the Company’s Human Resources Department, (ii) acknowledges receipt of a copy of this Notice of Grant and the terms and conditions attached hereto (collectively, the “Agreement”) and accepts the Award subject to all the terms and conditions of the Plan and the Agreement; (iii) represents that the Participant has read and understands the Plan, the Plan prospectus and the Agreement, and (iv) acknowledges that there are tax consequences related to the Award and that the Participant should consult a tax advisor to determine his or her actual tax consequences.

Electronic acceptance of this Award pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

Signature of Participant

Street Address

City/State/Zip Code

By: _____
Name of Officer
Title:

CASELLA WASTE SYSTEMS, INC.
Nonstatutory Stock Option Agreement
Incorporated Terms and Conditions

1. Grant of Option.

This Agreement evidences the grant by the Company on the grant date (the “Grant Date”) set forth in the Notice of Grant that forms part of this Agreement (the “Notice of Grant”) to the Participant of an option to purchase, in whole or in part, on the terms provided herein and in the Company’s 2016 Incentive Plan (the “Plan”), the number of Shares set forth in the Notice of Grant of Class A Common Stock, \$0.01 par value per share, of the Company (“Common Stock”) at the exercise price per Share set forth in the Notice of Grant. Unless earlier terminated, this option shall expire at 5:00 p.m., Eastern time, on the Final Exercise Date set forth in the Notice of Grant (the “Final Exercise Date”).

It is intended that the option evidenced by this Agreement shall not be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “Code”). Except as otherwise indicated by the context, the term “Participant”, as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

(a) This option is exercisable in accordance with the vesting schedule set forth in the Notice of Grant. This option shall expire upon, and will not be exercisable after, the Final Exercise Date. The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

(b) If the Participant ceases to be an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code (an “Eligible Participant”) as a result of the Participant’s (i) death or (ii) Disability, this option shall become immediately exercisable as to all of the Shares subject to this option, effective as of such cessation. The Participant shall only be entitled to exercise this option following such cessation as provided in Section 3 below.

(c) For purposes of this Agreement, “Disability” or “Disabled” shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

(1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the "Board"), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause (as defined in the Plan), the right to exercise this option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

5. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

6. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

7. Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to this option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

EXHIBIT A

NOTICE OF STOCK OPTION EXERCISE

Date: _____¹

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of a Nonstatutory Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____² for the purchase of _____³ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁴ per share.

I hereby exercise my option to purchase _____⁵ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁶ in the amount of _____⁷. Please register my stock certificate as follows:

Name(s): _____⁸

Address: _____

Tax I.D. #: _____⁹

Very truly yours,

(Signature)

¹ Enter the date of exercise.

² Enter the date of grant.

³ Enter the total number of shares of Common Stock for which the option was granted.

⁴ Enter the option exercise price per share of Common Stock.

⁵ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁶ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁷ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

⁸ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

⁹ Social Security Number of Holder(s).

CASELLA WASTE SYSTEMS, INC.

Performance-Based Stock Option Agreement
Granted Under the 2016 Incentive Plan1. Grant of Award.

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the "Company") on _____, 201_ (the "Grant Date") to you (the "Participant") of a performance-based stock option (the "Option") to purchase, in whole or in part, on the terms and conditions set forth in this Performance-Based Stock Option Agreement (the "Agreement") and the Company's 2016 Incentive Plan (the "Plan"), such number of shares of the Class A common stock, par value \$0.01 per share, of the Company ("Common Stock") at an exercise price of \$ ____¹ per share, as provided in this Agreement. The target number of shares that may be purchased upon exercise of this Option is _____ (the "Target Number of Shares"). The maximum number of shares that may be purchased upon exercise of this Option is _____ (the "Maximum Number of Shares"). The actual number shares of Common Stock that may be purchased upon exercise of this Option shall be calculated pursuant to the provisions of Schedule 1 and are referred to in this Agreement as "Shares." Capitalized terms used but not defined in this Agreement shall have the meanings specified in the Plan.

Unless earlier terminated, this Option shall expire at 5:00 p.m., Eastern time, on the date one day prior to the tenth anniversary of the Grant Date (the "Final Exercise Date").

It is intended that the Option evidenced by this Agreement shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code") to the maximum extent permitted by law. Except as otherwise indicated by the context, the term "Participant", as used in this Option, shall be deemed to include any person who acquires the right to exercise this Option validly under its terms.

2. Vesting; Forfeiture.

(a) Subject to the terms and conditions of this Agreement including, without limitation, Section 2(b) below and Section 6 below, this Option shall become exercisable ("vest") as set forth on Schedule 1 to this Agreement, based on the achievement of certain performance goals for the applicable performance period as set forth on Schedule 1. Such date or any other date on which this Option vests under this Agreement shall be a "Vesting Date" as referred to herein. The right of exercise shall be cumulative so that to the extent the Option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this Option under Section 3 hereof or the Plan.

¹ This must be at least 100% of the fair market value of the Common Stock on the date of grant (or 110% in the case of a Participant that owns more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary (a "10% Shareholder")) for the option to qualify as an incentive stock option (an "ISO") under Section 422 of the Code.

(b) Except as otherwise provided in Section 2(c) or Section 6 below or in Schedule 1, this Option shall not vest unless the Participant is, on the applicable Vesting Date, and has been at all times since the Grant Date, an employee or director of, or consultant or advisor to, the Company (“Eligible Participant”). For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company.

(c) Notwithstanding the foregoing, and notwithstanding anything to the contrary in any employment, severance or other agreement between the Participant and the Company (any such agreement, an “Employment Agreement”), if the Participant’s employment with the Company is terminated by the Company without Cause or by the Participant for Good Reason (each as defined below) during the performance period, then the Award shall remain outstanding and shall vest as set forth on Schedule 1 to this Agreement, based on the achievement of the performance goals for the applicable performance period as set forth on Schedule 1 as if the Participant had remained employed by the Company through the end of the performance period. If this Section 2(c) is applicable, then the Participant’s right to exercise this Option shall terminate three months after the Certification Date (as defined on Schedule 1) (but in no event after the Final Exercise Date). If the Participant is party to an Employment Agreement with the Company that contains a definition of “cause” or “good reason” for termination of employment, the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 2(c). Otherwise, “Cause” shall have the meaning set forth in the Plan and “Good Reason” shall have the meaning specified in Section 6(e) below.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this Option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

(1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the “Board”), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in Section 2(c) or this Section 3, this Option may not be exercised unless the Participant, at the time he or she exercises this Option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in Section 2(c) or in paragraphs (d) and (e) below, the right to exercise this Option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this Option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this Option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled (as defined below) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this Option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this Option shall be exercisable only to the extent that this Option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this Option shall not be exercisable after the Final Exercise Date. For purposes of this Agreement, "Disability" or "Disabled" shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause, the right to exercise this Option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Nontransferability of Option.

This Option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Option shall be exercisable only by the Participant.

5. Shareholder Rights.

Except as set forth in the Plan, neither the Participant nor any person claiming under or through the Participant shall be, or have any rights or privileges of, a stockholder of the Company in respect of the Shares issuable upon exercise of this Option until the Shares have been delivered to the Participant.

6. Provisions of the Plan; Change in Control Event.

(a) This Agreement is subject to the provisions of the Plan, a copy of which is made available to the Participant with this Agreement.

(b) Subject to Sections 6(c) and (d) hereof, upon the occurrence of a Change in Control Event (as defined in the Plan, and regardless of whether such event also constitutes a Reorganization Event), the acquiring or succeeding entity (or an affiliate thereof) shall assume each outstanding Option, provided that (i) the vesting of this Option shall only be subject to the continued service requirement in Section 2(b) hereof through the end of the performance period (and the last day of the performance period shall be a Vesting Date for purposes of this Agreement) and shall not, for the avoidance of doubt, be subject to achievement of the performance goals set forth in Schedule 1 and (ii) the number of Shares that may be purchased upon exercise of this Option shall be equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(c) In the event that the Participant's employment is terminated by either the Company or its successor without Cause or by the Participant for Good Reason, in either case within twelve (12) months following a Change in Control Event, the remaining unvested portion of the Option shall become vested as of the date of the Participant's termination of employment (and such date of termination shall be a Vesting Date for purposes of this Agreement). If the Participant is party to an Employment Agreement with the Company that contains a definition of "cause" or "good reason" for termination of employment, the meaning ascribed to such term in such Employment Agreement shall apply for purposes of this Section 6(c). Otherwise, "Cause" shall have the meaning set forth in the Plan and "Good Reason" shall have the meaning specified in Section 6(e) below.

(d) Notwithstanding the foregoing, in the event that the acquiring or succeeding entity (or an affiliate thereof) refuses to assume the Option in connection with a Change in Control Event, this Award shall become vested, immediately prior to the Change in Control Event, with respect to a number of Shares equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(e) For purposes of this Agreement, "Good Reason" shall mean (A) a material reduction in the Participant's base compensation; or (B) a requirement that the Participant relocate to, or perform his or her principal job functions at, an office that is more than 100 miles from the office at which the Participant was previously performing his or her principal job functions; provided, however, that no such event shall constitute Good Reason unless (X) the Participant gives the Company a written notice of termination for Good Reason not more than 100 days after the initial existence of the condition, (Y) the grounds for termination (if susceptible to correction) are not corrected by the Company within 30 days of its receipt of such notice and (Z) the Participant's termination occurs within 180 days following the Company's receipt of such notice.

7. Taxes.

(a) Disqualifying Disposition. If the Participant disposes of Shares acquired upon exercise of this Option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this Option, the Participant shall notify the Company in writing of such disposition.

(b) Withholding. No Shares will be issued pursuant to the exercise of this Option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this Option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

8. Miscellaneous.

(a) No Rights to Employment or Other Service. The Participant acknowledges and agrees that the vesting of the Option pursuant to Section 2 hereof is earned only by continuing service as an employee or director of, or consultant or advisor to, the Company at the will of the Company (not through the act of being hired or purchasing shares hereunder) and through the achievement of the applicable performance goals. The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee, director or other service provider for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 4 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 8(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement; Conflicts and Interpretation. This Agreement and the Plan constitute the entire agreement between the parties and supersede all prior agreements and understandings relating to the subject matter of this Agreement. In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Board (or a committee thereof) has the power, among other things, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

(h) Amendment. The Company may modify, amend or waive the terms of this Agreement prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Participant without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board (or a committee thereof). The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(i) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.

(j) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the Option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written. Electronic acceptance of this Agreement pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

By: _____

Name:

Title:

[Name of Participant]

Address:

Exhibit A

NOTICE OF STOCK OPTION EXERCISE

Date: _____²

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of an Incentive Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____³ for the purchase of _____⁴ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁵ per share.

I hereby exercise my option to purchase _____⁶ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁷ in the amount of _____⁸. Please register my stock certificate as follows:

Name(s): _____⁹

Address: _____

Tax I.D. #: _____¹⁰

Very truly yours,

(Signature)

² Enter the date of exercise.

³ Enter the date of grant.

⁴ Enter the total number of shares of Common Stock for which the option was granted.

⁵ Enter the option exercise price per share of Common Stock.

⁶ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁷ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁸ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

⁹ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

¹⁰ Social Security Number of Holder(s).

COMPANY CONFIDENTIAL

SCHEDULE 1

VESTING CRITERIA FOR OPTION

A. Performance Objectives

The Option shall vest with respect to a number of Shares determined based upon the Company’s achievement of certain Free Cash Flow and Adjusted EBITDA objectives (each as defined below) (collectively, the “Performance Objectives”) for the measurement period (the “Measurement Period”) within the performance period (the “Performance Period”), each described below. The Free Cash Flow objective will be weighted []%, and the Adjusted EBITDA objective will be weighted []%. The last day of the Performance Period shall be a Vesting Date for purposes of this Agreement, provided however that this Option may not be exercised before the Certification Date (as defined below).

The portion of the Option that will vest (and the corresponding number of Shares that may be purchased upon exercise of this Option) shall be determined based upon (i) the number of Shares determined to be eligible to vest based on the level of achievement of the Performance Objectives during the Measurement Period multiplied by (ii) the Relative Total Shareholder Return Multiplier for the Performance Period (as defined below).

The Performance Period, the Measurement Period, and the Target Number of Shares and Maximum Number of Shares that can vest at the end of the Performance Period are as follows:

Performance Period	Measurement Period	Target Number of Shares for Performance Period	Maximum Number of Shares for Performance Period

“Free Cash Flow” shall mean the following amount determined for the Measurement Period: net cash provided by operating activities, less capital expenditures (excluding acquisition and rail infrastructure related capital expenditures), less payments on landfill operating lease contracts, plus proceeds from divestiture transactions, plus proceeds from the sale of property and equipment, plus proceeds from property insurance settlement, less contributions from (distributions to) noncontrolling interest holders, plus certain cash outflows associated with landfill closure, site improvement and remediation expenditures, plus certain cash outflows associated with new contract and project capital expenditures, plus cash (inflows) outflows associated with certain business dissolutions, plus cash interest outflows associated with the timing of refinancing transactions. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Adjusted EBITDA” shall mean the following amount determined for the Measurement Period: earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations, adjusted for the following items: gains or losses on assets sales or divestiture transactions; development project charge write-offs; legal, contract or tax settlement costs; bargain purchase gains; asset or goodwill impairment charges; environmental remediation charges; severance and reorganization costs; expenses from divestiture, acquisition and financing transactions; gains on the settlement of acquisition related contingent consideration; fiscal year-end transition costs; proxy contest costs; losses on the abandonment or the closure and discontinuation of operations. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Total Shareholder Return” shall mean the following amount determined for the Performance Period: $(\text{Ending Stock Price} + \text{Dividends Paid}) / \text{Initial Stock Price}$, which shall be based on (a) the average closing stock price during the 15 trading days prior to but not including the first day of the Performance Period (“Initial Stock Price”); (b) dividends paid between the first day of the Performance Period and the last day of the Performance Period, calculated on a per share basis using the ex-dividend date with respect to each such dividend (“Dividends Paid”); and (c) the average closing stock price during the 15 trading days prior to and including the last day of the Performance Period (“Ending Stock Price”).

“Relative Total Shareholder Return” shall mean: the Company’s Total Shareholder Return relative to the Russell 2000 Index.

The performance against target for each Performance Objective shall be calculated using the same methodology as that used by the Company in preparing its Financial Statements (as defined below); the calculation of any non-GAAP adjustments shall be made using the same methodology as that used by the Company to prepare non-GAAP financial information included in its public releases or used to operate the business. If, at the end of the Performance Period, the Company is required to make periodic reports under the Exchange Act, the Company’s consolidated financial statements filed with the Securities and Exchange Commission on Form 10-K shall constitute its “Public Company Financial Statements” and shall apply for such Performance Period. If, at the end of the Performance Period, the Company is not required to make periodic reports under the Exchange Act, the Company’s regularly prepared annual audited financial statements prepared by management shall be its “Private Company Financial Statements” and shall apply for the Performance Period. The applicable financial statements may be referred to herein as the “Financial Statements.”

The Compensation Committee shall certify in writing the level of achievement of the performance goals promptly following the end of the Performance Period, once the relevant Financial Statements have been finalized. The date of the Compensation Committee’s certification is the “Certification Date.”

B. Calculation of Number of Shares Exercisable

The number of Shares with respect to which the Option will vest and become exercisable at the end of the Performance Period shall be equal to (i) the Target Number of Shares multiplied by (ii) the percentage of the Target Number of Shares that are eligible to vest hereunder determined based on the level of achievement of the Performance Objectives, calculated under Step One below multiplied by (iii) the Relative Total Shareholder Return Multiplier, calculated under Step Two below. Any portion of the Option that does not vest pursuant to the foregoing calculation shall be terminated as of the Certification Date and the Participant shall have no further rights with respect thereto.

Step One.

The percentage of the Target Number of Shares that is eligible to vest at the end of the Performance Period shall be equal to the sum of:

- (i) the product of (x) []% and (y) the Free Cash Flow Attainment Factor for the Performance Period; and
- (ii) the product of (x) []% and (y) the Adjusted EBITDA Attainment Factor for the Performance Period.

The table below sets forth the associated Attainment Factor for the Free Cash Flow Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Free Cash Flow for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

The table below sets forth the associated Attainment Factor for the Adjusted EBITDA Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Adjusted EBITDA for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

In measuring the achievement of the Performance Objectives for the Measurement Period and calculating the related Attainment Factor, achievement will be linearly interpolated between the percentages set forth in the tables above based on actual results as determined and certified by the Compensation Committee. If the achievement of a Performance Objective for the Measurement Period is at or below the “minimum performance” level set forth in the tables above, the Attainment Factor for such Performance Objective shall be 0%.

By way of example only and not as an expression of expected results, assume that: (i) Free Cash Flow for the Measurement Period is \$[], resulting in an Attainment Factor for the Free Cash Flow Performance Objective of []% and (ii) the Adjusted EBITDA for the Measurement Period is \$[], resulting in an Attainment Factor for the Adjusted EBITDA Performance Objective of []%. The percentage of the Target Number of Shares eligible to vest at the end of the Performance Period shall be equal to []%, calculated as the sum of:

(i) the product of (x) []% and (y) []%, the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) []%, the Adjusted EBITDA Attainment Factor for the Performance Period.

Step Two

The Relative Total Shareholder Return Multiplier is calculated in the manner set forth in the table below based on the Relative Total Shareholder Return for the Performance Period:

Level of Achievement	Relative Total Shareholder Return	Relative Total Shareholder Return Multiplier
Minimum		
Lower Mid		
Upper Mid		
Maximum		

In measuring the achievement of the Relative Total Shareholder Return for the Performance Period and calculating the related Relative Total Shareholder Return Multiplier, achievement will be linearly interpolated between the percentages set forth in the table above based on actual results as determined and certified by the Compensation Committee.

By way of example only and not as an expression of expected results, if the Relative Total Shareholder Return is []%, then the Relative Total Shareholder Return Multiplier would be []%. Continuing the above example, the number of Shares that may be purchased upon exercise of this Option would be equal to (i) the Target Number of Shares for the Performance Period multiplied by (ii) []% (determined under Step One) multiplied by (iii) []% (determined under Step Two).

In no event may the number of Shares that may be purchased upon exercise of this Option exceed the Maximum Number of Shares for the Performance Period.

C. Effect of an Acquisition or Disposition by the Company

In the event that the Company closes an Acquisition Transaction or Disposition Transaction (each as defined below) during the Performance Period, the Compensation Committee shall make adjustments to affected performance targets to give effect to the expected impact on such targets of the applicable Acquisition Transaction or Disposition Transaction (including whether it is accretive or not) as determined by the Compensation Committee in its sole discretion exercised in good faith.

An "Acquisition Transaction" means (i) the purchase of more than 50% of the voting power of an entity, (ii) any merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution or share exchange involving the Company and an entity not previously owned by the Company, or (iii) the purchase or other acquisition (including, without limitation, via license outside of the ordinary course of business or joint venture) of assets that constitute more than 50% of another entity's total assets or assets that account for more than 50% of the consolidated net revenues or net income of such entity, in each case other than a Change in Control. A "Disposition Transaction" means the sale of a division, business unit or set of business operations and/or related assets to a third party.

All determinations of the Compensation Committee regarding the estimated impact of an Acquisition Transaction shall be final, binding and non-appealable. The cumulative impact of all Acquisition Transactions shall be set forth in a statement delivered to the Participant following the vesting of the Option, if any, as contemplated by this Agreement. This Agreement shall be deemed to be automatically amended, without further action by the Company or the Participant, to give effect to any adjustments required by this Section C.

D. Effect of Death or Disability of the Participant

If the Participant dies or is Disabled prior to the end of the Performance Period, then the Option shall vest as to a number of Shares equal to the greater of (i) the Target Number of Shares for the Performance Period and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the Performance Period as if the death or Disability had not occurred. The Option shall be exercisable (to the extent vested) as provided in Section 3(d) of the Agreement.

CASELLA WASTE SYSTEMS, INC.

Performance-Based Stock Option Agreement
Granted Under the 2016 Incentive Plan1. Grant of Award.

This Agreement evidences the grant by Casella Waste Systems, Inc., a Delaware corporation (the "Company") on _____, 201_ (the "Grant Date") to you (the "Participant") of a performance-based stock option (the "Option") to purchase, in whole or in part, on the terms and conditions set forth in this Performance-Based Stock Option Agreement (the "Agreement") and the Company's 2016 Incentive Plan (the "Plan"), such number of shares of the Class A common stock, par value \$0.01 per share, of the Company ("Common Stock") at an exercise price of \$ ____¹ per share, as provided in this Agreement. The target number of shares that may be purchased upon exercise of this Option is _____ (the "Target Number of Shares"). The maximum number of shares that may be purchased upon exercise of this Option is _____ (the "Maximum Number of Shares"). The actual number shares of Common Stock that may be purchased upon exercise of this Option shall be calculated pursuant to the provisions of Schedule 1 and are referred to in this Agreement as "Shares." Capitalized terms used but not defined in this Agreement shall have the meanings specified in the Plan.

Unless earlier terminated, this Option shall expire at 5:00 p.m., Eastern time, on the date one day prior to the tenth anniversary of the Grant Date (the "Final Exercise Date").

It is intended that the Option evidenced by this Agreement shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code") to the maximum extent permitted by law. Except as otherwise indicated by the context, the term "Participant", as used in this Option, shall be deemed to include any person who acquires the right to exercise this Option validly under its terms.

2. Vesting; Forfeiture.

(a) Subject to the terms and conditions of this Agreement including, without limitation, Section 2(b) below and Section 6 below, this Option shall become exercisable ("vest") as set forth on Schedule 1 to this Agreement, based on the achievement of certain performance goals for the applicable performance period as set forth on Schedule 1. Such date or any other date on which this Option vests under this Agreement shall be a "Vesting Date" as referred to herein. The right of exercise shall be cumulative so that to the extent the Option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares which are then exercisable until the earlier of the Final Exercise Date or the termination of this Option under Section 3 hereof or the Plan.

(b) Except as otherwise provided in Section 6 below or in Schedule 1, this Option shall not vest unless the Participant is, on the applicable Vesting Date, and has been at all times since the Grant Date, an employee or director of, or consultant or advisor to, the Company ("Eligible Participant"). For purposes of this Agreement, service with the Company shall include service with a parent, subsidiary, affiliate or division of the Company.

¹ This must be at least 100% of the fair market value of the Common Stock on the date of grant (or 110% in the case of a Participant that owns more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary (a "10% Shareholder")) for the option to qualify as an incentive stock option (an "ISO") under Section 422 of the Code.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this Option shall be in writing in the form of the Notice of Exercise attached as Exhibit A (or in such other form as may be provided by the Company), signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan, including:

(1) in cash or by check, payable to the order of the Company;

(2) by delivery of an irrevocable and unconditional undertaking by a credit-worthy broker to deliver promptly to the Company sufficient funds to pay the exercise price, or delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a credit-worthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price, or by delivery of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board of Directors of the Company (the "Board"), which Common Stock was owned by the Participant at least six months prior to such delivery; or

(3) any combination of the above permitted forms of payment.

The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional Share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this Option may not be exercised unless the Participant, at the time he or she exercises this Option, is, and has been at all times since the Grant Date, an Eligible Participant.

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this Option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this Option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the restrictive covenants (including, without limitation, the non-competition, non-solicitation, or confidentiality provisions) of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this Option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes Disabled (as defined below) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for Cause as specified in paragraph (e) below, this Option shall be exercisable, within the period of one year following the date of death or Disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this Option shall be exercisable only to the extent that this Option was exercisable by the Participant on the date of his or her death or Disability, and further provided that this Option shall not be exercisable after the Final Exercise Date. For purposes of this Agreement, "Disability" or "Disabled" shall have the meaning provided under Treasury Regulation Section 1.409A-3(i)(4)(i) and (iii).

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for Cause (as defined in the Plan), the right to exercise this Option shall terminate immediately upon the effective date of such discharge. The Participant shall be considered to have been discharged for Cause if the Company determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Nontransferability of Option.

This Option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Option shall be exercisable only by the Participant.

5. Shareholder Rights.

Except as set forth in the Plan, neither the Participant nor any person claiming under or through the Participant shall be, or have any rights or privileges of, a stockholder of the Company in respect of the Shares issuable upon exercise of this Option until the Shares have been delivered to the Participant.

6. Provisions of the Plan; Change in Control Event.

(a) This Agreement is subject to the provisions of the Plan, a copy of which is made available to the Participant with this Agreement.

(b) Subject to Sections 6(c) and (d) hereof, upon the occurrence of a Change in Control Event (as defined in the Plan, and regardless of whether such event also constitutes a Reorganization Event), the acquiring or succeeding entity (or an affiliate thereof) shall assume each outstanding Option, provided that (i) the vesting of this Option shall only be subject to the continued service requirement in Section 2(b) hereof through the end of the performance period (and the last day of the performance period shall be a Vesting Date for purposes of this Agreement) and shall not, for the avoidance of doubt, be subject to achievement of the performance goals set forth in Schedule 1 and (ii) the number of Shares that may be purchased upon exercise of this Option shall be equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

(c) In the event that the Participant's employment is terminated by either the Company or its successor without Cause (as defined in the Plan), in either case within twelve (12) months following a Change in Control Event, the remaining unvested portion of the Option shall become vested as of the date of the Participant's termination of employment (and such date of termination shall be a Vesting Date for purposes of this Agreement).

(d) Notwithstanding the foregoing, in the event that the acquiring or succeeding entity (or an affiliate thereof) refuses to assume the Option in connection with a Change in Control Event, this Award shall become vested, immediately prior to the Change in Control Event, with respect to a number of Shares equal to the greater of (i) the Target Number of Shares and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the performance period.

7. Taxes.

(a) Disqualifying Disposition. If the Participant disposes of Shares acquired upon exercise of this Option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this Option, the Participant shall notify the Company in writing of such disposition.

(b) Withholding. No Shares will be issued pursuant to the exercise of this Option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this Option. Such withholding taxes may be satisfied, at the discretion of the Board, by the withholding of Shares of Common Stock of the Company.

8. Miscellaneous.

(a) No Rights to Employment or Other Service. The Participant acknowledges and agrees that the vesting of the Option pursuant to Section 2 hereof is earned only by continuing service as an employee or director of, or consultant or advisor to, the Company at the will of the Company (not through the act of being hired or purchasing shares hereunder) and through the achievement of the applicable performance goals. The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee, director or other service provider for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 4 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 8(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement; Conflicts and Interpretation. This Agreement and the Plan constitute the entire agreement between the parties and supersede all prior agreements and understandings relating to the subject matter of this Agreement. In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Board (or a committee thereof) has the power, among other things, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

(h) Amendment. The Company may modify, amend or waive the terms of this Agreement prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Participant without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board (or a committee thereof). The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(i) Governing Law/Choice of Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of the conflicts of laws thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties, evidenced by this Award or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Vermont and agree that such litigation shall be conducted only in the courts of Rutland County, Vermont, or the federal courts for the United States for the District of Vermont, and no other courts, where this Award is made and/or to be performed.

(j) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the Option and participation in the Plan or future options that may be awarded under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written. Electronic acceptance of this Agreement pursuant to the Company's instructions to Participant (including through an online acceptance process managed by the Company's agent) is acceptable.

CASELLA WASTE SYSTEMS, INC.

By: _____

Name:

Title:

[Name of Participant]

Address:

Exhibit A

NOTICE OF STOCK OPTION EXERCISE

Date: _____²

Casella Waste Systems, Inc.
25 Greens Hill Lane
Rutland, Vermont 05701

Attention: Corporate Secretary

Dear Sir or Madam:

I am the holder of an Incentive Stock Option granted to me under the Casella Waste Systems, Inc. (the "Company") 2016 Incentive Plan on _____³ for the purchase of _____⁴ shares of Class A Common Stock of the Company at a purchase price of \$ _____⁵ per share.

I hereby exercise my option to purchase _____⁶ shares of Class A Common Stock (the "Shares"), for which I have enclosed _____⁷ in the amount of _____⁸. Please register my stock certificate as follows:

Name(s): _____⁹

Address: _____

Tax I.D. #: _____¹⁰

Very truly yours,

(Signature)

² Enter the date of exercise.

³ Enter the date of grant.

⁴ Enter the total number of shares of Common Stock for which the option was granted.

⁵ Enter the option exercise price per share of Common Stock.

⁶ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁷ Enter "cash", "personal check" or if permitted by the option or Plan, "stock certificates No. XXXX and XXXX," as applicable.

⁸ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

⁹ Enter name(s) to appear on stock certificate: (a) your name only; (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants With Right of Survivorship); or (c) in the case of a nonstatutory option only, a child's name, with you as custodian (i.e., Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences of registering shares in a child's name.

¹⁰ Social Security Number of Holder(s).

COMPANY CONFIDENTIAL

SCHEDULE 1

VESTING CRITERIA FOR OPTION

A. Performance Objectives

The Option shall vest with respect to a number of Shares determined based upon the Company’s achievement of certain Free Cash Flow and Adjusted EBITDA objectives (each as defined below) (collectively, the “Performance Objectives”) for the measurement period (the “Measurement Period”) within the performance period (the “Performance Period”), each described below. The Free Cash Flow objective will be weighted []%, and the Adjusted EBITDA objective will be weighted []%. The last day of the Performance Period shall be a Vesting Date for purposes of this Agreement, provided however that this Option may not be exercised before the Certification Date (as defined below).

The portion of the Option that will vest (and the corresponding number of Shares that may be purchased upon exercise of this Option) shall be determined based upon (i) the number of Shares determined to be eligible to vest based on the level of achievement of the Performance Objectives during the Measurement Period multiplied by (ii) the Relative Total Shareholder Return Multiplier for the Performance Period (as defined below).

The Performance Period, the Measurement Period, and the Target Number of Shares and Maximum Number of Shares that can vest at the end of the Performance Period are as follows:

Performance Period	Measurement Period	Target Number of Shares for Performance Period	Maximum Number of Shares for Performance Period

“Free Cash Flow” shall mean the following amount determined for the Measurement Period: net cash provided by operating activities, less capital expenditures (excluding acquisition and rail infrastructure related capital expenditures), less payments on landfill operating lease contracts, plus proceeds from divestiture transactions, plus proceeds from the sale of property and equipment, plus proceeds from property insurance settlement, less contributions from (distributions to) noncontrolling interest holders, plus certain cash outflows associated with landfill closure, site improvement and remediation expenditures, plus certain cash outflows associated with new contract and project capital expenditures, plus cash (inflows) outflows associated with certain business dissolutions, plus cash interest outflows associated with the timing of refinancing transactions. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Adjusted EBITDA” shall mean the following amount determined for the Measurement Period: earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations, adjusted for the following items: gains or losses on assets sales or divestiture transactions; development project charge write-offs; legal, contract or tax settlement costs; bargain purchase gains; asset or goodwill impairment charges; environmental remediation charges; severance and reorganization costs; expenses from divestiture, acquisition and financing transactions; gains on the settlement of acquisition related contingent consideration; fiscal year-end transition costs; proxy contest costs; losses on the abandonment or the closure and discontinuation of operations. This is a non-GAAP Performance Objective and shall be subject to such additional adjustments for non-recurring or unusual items as the Compensation Committee shall determine in its sole discretion.

“Total Shareholder Return” shall mean the following amount determined for the Performance Period: $(\text{Ending Stock Price} + \text{Dividends Paid}) / \text{Initial Stock Price}$, which shall be based on (a) the average closing stock price during the 15 trading days prior to but not including the first day of the Performance Period (“Initial Stock Price”); (b) dividends paid between the first day of the Performance Period and the last day of the Performance Period, calculated on a per share basis using the ex-dividend date with respect to each such dividend (“Dividends Paid”); and (c) the average closing stock price during the 15 trading days prior to and including the last day of the Performance Period (“Ending Stock Price”).

“Relative Total Shareholder Return” shall mean: the Company’s Total Shareholder Return relative to the Russell 2000 Index.

The performance against target for each Performance Objective shall be calculated using the same methodology as that used by the Company in preparing its Financial Statements (as defined below); the calculation of any non-GAAP adjustments shall be made using the same methodology as that used by the Company to prepare non-GAAP financial information included in its public releases or used to operate the business. If, at the end of the Performance Period, the Company is required to make periodic reports under the Exchange Act, the Company’s consolidated financial statements filed with the Securities and Exchange Commission on Form 10-K shall constitute its “Public Company Financial Statements” and shall apply for such Performance Period. If, at the end of the Performance Period, the Company is not required to make periodic reports under the Exchange Act, the Company’s regularly prepared annual audited financial statements prepared by management shall be its “Private Company Financial Statements” and shall apply for the Performance Period. The applicable financial statements may be referred to herein as the “Financial Statements.”

The Compensation Committee shall certify in writing the level of achievement of the performance goals promptly following the end of the Performance Period, once the relevant Financial Statements have been finalized. The date of the Compensation Committee’s certification is the “Certification Date.”

B. Calculation of Number of Shares Exercisable

The number of Shares with respect to which the Option will vest and become exercisable at the end of the Performance Period shall be equal to (i) the Target Number of Shares multiplied by (ii) the percentage of the Target Number of Shares that are eligible to vest hereunder determined based on the level of achievement of the Performance Objectives, calculated under Step One below multiplied by (iii) the Relative Total Shareholder Return Multiplier, calculated under Step Two below. Any portion of the Option that does not vest pursuant to the foregoing calculation shall be terminated as of the Certification Date and the Participant shall have no further rights with respect thereto.

Step One.

The percentage of the Target Number of Shares that is eligible to vest at the end of the Performance Period shall be equal to the sum of:

- (i) the product of (x) []% and (y) the Free Cash Flow Attainment Factor for the Performance Period; and
- (ii) the product of (x) []% and (y) the Adjusted EBITDA Attainment Factor for the Performance Period.

The table below sets forth the associated Attainment Factor for the Free Cash Flow Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Free Cash Flow for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

The table below sets forth the associated Attainment Factor for the Adjusted EBITDA Performance Objective based on the level of achievement against the performance target for such Performance Objective for the Measurement Period.

Level of Achievement	Adjusted EBITDA for Measurement Period (\$ in millions)	Attainment Factor
Minimum		
Target		
Maximum		

In measuring the achievement of the Performance Objectives for the Measurement Period and calculating the related Attainment Factor, achievement will be linearly interpolated between the percentages set forth in the tables above based on actual results as determined and certified by the Compensation Committee. If the achievement of a Performance Objective for the Measurement Period is at or below the “minimum performance” level set forth in the tables above, the Attainment Factor for such Performance Objective shall be 0%.

By way of example only and not as an expression of expected results, assume that: (i) Free Cash Flow for the Measurement Period is \$[], resulting in an Attainment Factor for the Free Cash Flow Performance Objective of []% and (ii) the Adjusted EBITDA for the Measurement Period is \$[], resulting in an Attainment Factor for the Adjusted EBITDA Performance Objective of []%. The percentage of the Target Number of Shares eligible to vest at the end of the Performance Period shall be equal to []%, calculated as the sum of:

(i) the product of (x) []% and (y) []%, the Free Cash Flow Attainment Factor for the Performance Period; and

(ii) the product of (x) []% and (y) []%, the Adjusted EBITDA Attainment Factor for the Performance Period.

Step Two

The Relative Total Shareholder Return Multiplier is calculated in the manner set forth in the table below based on the Relative Total Shareholder Return for the Performance Period:

Level of Achievement	Relative Total Shareholder Return	Relative Total Shareholder Return Multiplier
Minimum		
Lower Mid		
Upper Mid		
Maximum		

In measuring the achievement of the Relative Total Shareholder Return for the Performance Period and calculating the related Relative Total Shareholder Return Multiplier, achievement will be linearly interpolated between the percentages set forth in the table above based on actual results as determined and certified by the Compensation Committee.

By way of example only and not as an expression of expected results, if the Relative Total Shareholder Return is []%, then the Relative Total Shareholder Return Multiplier would be []%. Continuing the above example, the number of Shares that may be purchased upon exercise of this Option would be equal to (i) the Target Number of Shares for the Performance Period multiplied by (ii) []% (determined under Step One) multiplied by (iii) []% (determined under Step Two).

In no event may the number of Shares that may be purchased upon exercise of this Option exceed the Maximum Number of Shares for the Performance Period.

C. Effect of an Acquisition or Disposition by the Company

In the event that the Company closes an Acquisition Transaction or Disposition Transaction (each as defined below) during the Performance Period, the Compensation Committee shall make adjustments to affected performance targets to give effect to the expected impact on such targets of the applicable Acquisition Transaction or Disposition Transaction (including whether it is accretive or not) as determined by the Compensation Committee in its sole discretion exercised in good faith.

An "Acquisition Transaction" means (i) the purchase of more than 50% of the voting power of an entity, (ii) any merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution or share exchange involving the Company and an entity not previously owned by the Company, or (iii) the purchase or other acquisition (including, without limitation, via license outside of the ordinary course of business or joint venture) of assets that constitute more than 50% of another entity's total assets or assets that account for more than 50% of the consolidated net revenues or net income of such entity, in each case other than a Change in Control. A "Disposition Transaction" means the sale of a division, business unit or set of business operations and/or related assets to a third party.

All determinations of the Compensation Committee regarding the estimated impact of an Acquisition Transaction shall be final, binding and non-appealable. The cumulative impact of all Acquisition Transactions shall be set forth in a statement delivered to the Participant following the vesting of the Option, if any, as contemplated by this Agreement. This Agreement shall be deemed to be automatically amended, without further action by the Company or the Participant, to give effect to any adjustments required by this Section C.

D. Effect of Death or Disability of the Participant

If the Participant dies or is Disabled prior to the end of the Performance Period, then the Option shall vest as to a number of Shares equal to the greater of (i) the Target Number of Shares for the Performance Period and (ii) such number of Shares as the Compensation Committee shall determine in its sole discretion exercised in good faith based upon the projected level of achievement of the applicable performance goals for the Performance Period as if the death or Disability had not occurred. The Option shall be exercisable (to the extent vested) as provided in Section 3(d) of the Agreement.

PROPOSAL 3 — APPROVAL OF CASELLA WASTE SYSTEMS, INC. 2016 INCENTIVE PLAN

Overview

In the opinion of our Board, the future success of our company depends, in large part, on our ability to maintain a competitive position in attracting, retaining and motivating key employees with experience and ability. On September 29, 2016, our Board adopted, subject to stockholder approval, the Casella Waste Systems, Inc. 2016 Incentive Plan, which we refer to as the 2016 Incentive Plan. The 2016 Incentive Plan is intended to replace our 2006 Stock Incentive Plan, which expires on October 9, 2016, and after which date we may not grant any new awards.

The 2016 Incentive Plan would allow for the issuance of up to 2,250,000 shares of Class A common stock. In addition, up to an additional 2,722,884 shares of Class A common stock, which is equal to the sum of the number of shares of Class A common stock reserved for issuance under the 2006 Stock Incentive Plan that remain available for grant immediately prior to the expiration of the 2006 Stock Incentive Plan and the number of shares of Class A common stock subject to awards granted under the 2006 Stock Incentive Plan that expire, terminate or are otherwise surrendered, cancelled, forfeited or repurchased by us at their original issuance price pursuant to a contractual repurchase right (subject, in the case of incentive stock options, to any limitations of the Code), will be available for issuance under the 2016 Incentive Plan.

We may no longer issue awards under the 2006 Stock Incentive Plan following its expiration on October 9, 2016 (however, awards previously granted under the 2006 Stock Incentive Plan will remain outstanding and may be returned to the 2016 Incentive Plan as described above). As of August 31, 2016, (1) options covering 1,101,299 shares of Class A common stock with a weighted average exercise price of \$5.98 and a weighted average remaining term of 5.73 years, (2) unvested RSUs covering 787,877 shares of Class A common stock, (3) unvested PSUs covering 97,279 shares of Class A common stock and (4) 115,170 shares of Class A common stock subject to unvested restricted stock awards were outstanding under the 2006 Stock Incentive Plan and our other equity compensation plans. As of August 31, 2016, 646,081 shares of Class A common stock were available for future grant under the 2006 Stock Incentive Plan.

Highlights of the 2016 Incentive Plan

No “Evergreen” Provision

Shares authorized for issuance under the 2016 Incentive Plan are not automatically replenished.

No Liberal Share Counting

The 2016 Incentive Plan prohibits the reuse of shares withheld or delivered to satisfy the exercise price of an option or stock appreciation right or to satisfy tax withholding requirements with respect to any award.

Shares repurchased on the open market using the proceeds from the exercise of an option or stock appreciation right will not increase the number of shares available for future grant of awards under the 2016 Incentive Plan.

When a stock appreciation right is exercised, the number of shares available under the 2016 Incentive Plan will be reduced by the full number of shares for which the stock appreciation right is exercised.

No repricing of stock options or stock appreciation rights

The 2016 Incentive Plan prohibits the direct or indirect repricing of stock options or stock appreciation rights without stockholder approval, including a prohibition on the exchange of “underwater” stock options or stock appreciation rights for a cash payment.

No discounted stock options or stock appreciation rights

All stock options and stock appreciation rights must have an exercise price or measurement price equal to or greater than the fair market value of the underlying Class A common stock on the date of grant.

“Double-trigger” vesting upon change in control

Awards granted under the 2016 Incentive Plan will not automatically vest solely as a result of a change in control.

No liberal change in control definition Change in control benefits are triggered only by the occurrence, rather than stockholder approval, of a change in control event.

Material amendments require stockholder approval Stockholder approval is required prior to an amendment of the 2016 Incentive Plan that would (1) materially increase the number of shares available, (2) expand the types of available awards, or (3) materially expand the class of participants eligible to participate.

Administered by an independent committee The 2016 Incentive Plan is administered by the Compensation Committee, which is made up entirely of independent directors.

Vesting Practices Awards under the 2016 Incentive Plan are subject to a minimum vesting period of one year, other than (i) options granted in lieu of compensation otherwise earned by or payable to a participant and (ii) awards granted, in the aggregate, for up to 5% of the maximum number of authorized shares under the 2016 Incentive Plan.

Clawback Policy All awards granted under the 2016 Incentive Plan are subject to the Company's Compensation Clawback Policy and any other clawback policy that the Company adopts in the future.

Our Board believes that approving 2,250,000 shares (plus any unused shares from the 2006 Stock Incentive Plan) for issuance under the 2016 Incentive Plan is appropriate and in the best interests of stockholders given (1) the expiration of the 2006 Stock Incentive Plan on October 9, 2016, after which we may not grant any new equity awards, (2) the duration of the 2016 Incentive Plan, (3) our historical rate of issuing equity awards, (4) our current expectations of the number of shares likely to be needed for future grants and (5) the importance of equity as a proportion of total compensation. Our Board will carefully consider all proposed grants under the 2016 Incentive Plan.

In developing our share request for the 2016 Incentive Plan and analyzing the impact of utilizing equity on our stockholders, we considered our "burn rate" and "overhang."

Burn rate provides a measure of the potential dilutive impact of our annual equity award program. Set forth below is a table that reflects our burn rate for fiscal 2015, transition period 2014, fiscal 2014 and fiscal 2013 as well as the average over those periods.

Period	Full-Value Shares Granted – RSUs and Restricted Stock Awards	Full-Value Shares Granted - PSUs	Full-Value Shares Vested - PSUs	Options Granted	Total Shares	Basic Weighted Average Number of Shares of Class A Common Stock Outstanding	Gross Burn Rate (1)
Fiscal 2015 (January 1, 2015 – December 31, 2015)	624,119	—	—	150,000	774,119	40,642,443	1.9%
Transition period 2014 (May 1, 2014 – December 31, 2014)	370,163	—	—	200,000	570,163	40,262,005	1.4%
Fiscal 2014 (May 1, 2013 – April 30, 2014)	541,951	—	—	157,408	699,359	39,819,935	1.8%
Fiscal 2013 (May 1, 2012 – April 30, 2013)	418,544	315,552	—	387,500	806,044	34,015,061	2.4%
Average							1.9%

(1) "Gross Burn Rate" is defined as the number of shares underlying awards granted in the year (excluding PSUs which will be counted as they are earned) divided by the basic weighted average number of shares of Class A common stock outstanding at year-end.

Overhang is a measure of potential dilution and is defined as the sum of (1) the total number of shares underlying all equity awards outstanding, excluding restricted stock awards, and (2) the total number of shares available for future award grants, divided by: the sum of (a) the total number of shares underlying all equity awards outstanding, excluding restricted stock awards, (b) the total number of shares available for future award grants and (c) the total number of shares of Class A common stock and Class B common stock outstanding. Our overhang at August 31, 2016 was 6.0%. If the additional 2,250,000 shares proposed to be authorized for grant under the 2016 Incentive Plan are included in the calculation, our overhang would have been 10.5% at August 31, 2016.

Summary of the 2016 Incentive Plan

The following summary of the 2016 Incentive Plan is qualified in its entirety by reference to the 2016 Incentive Plan, a copy of which is attached as [Appendix A](#) to this proxy statement. References to our Board in this summary shall include the Compensation Committee or any similar committee appointed by our Board to administer the 2016 Incentive Plan.

Types of Awards; Shares Available for Issuance.

The 2016 Incentive Plan allows for the issuance of incentive stock options intended to qualify under Section 422 of the Internal Revenue Code, or Code, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock units, other stock-based awards, cash-based awards and performance awards; we refer to these securities as Awards. Subject to adjustment in the event of stock splits, stock dividends or similar events, Awards may be made under the 2016 Incentive Plan for (i) up to 2,250,000 shares of Class A common stock plus (ii) an additional number of shares of Class A common stock (up to 2,722,884 shares) as is equal to the sum of the number of shares of Class A common stock remaining available for grant under the 2006 Stock Incentive Plan immediately prior to the expiration of the 2006 Stock Incentive Plan and the number of shares of Class A common stock subject to awards granted under the 2006 Stock Incentive Plan that expire, terminate or are otherwise surrendered, cancelled, forfeited or repurchased by us at their original issuance price pursuant to a contractual repurchase right (subject, in the case of incentive stock options, to any limitations of the Code). In addition, if any Award granted under the 2016 Incentive Plan expires or is terminated, surrendered, cancelled, forfeited or otherwise results in any Class A common stock not being issued, the unused Class A common stock covered by such Award shall again be available for the grant of Awards under the 2016 Incentive Plan (subject, in the case of incentive stock options, to any limitations under the Code). However, shares of Class A common stock delivered to us by a participant to purchase Class A common stock upon exercise of an Award or to satisfy tax withholding obligations (including shares retained from the Award creating the tax obligation) shall not be added back to the number of shares of Class A common stock available for the future grant of Awards under the 2016 Incentive Plan. In addition, Class A common stock repurchased by us on the open market using proceeds from the exercise of an Award shall not increase the number of shares of Class A common stock available for future grant of Awards under the 2016 Incentive Plan.

Certain sub-limitations apply to the shares available for issuance under the 2016 Incentive Plan. The maximum number of shares of Class A common stock with respect to which Awards may be granted to any participant under the 2016 Incentive Plan is 750,000 shares per calendar year. The maximum value (calculated based on grant date fair value for financial reporting purposes) of shares subject to Awards granted to directors who are not employees of Casella at the time of grant shall not exceed \$200,000 in any calendar year, subject to exceptions in extraordinary circumstances as the Compensation Committee may determine in its discretion.

All shares of Class A common stock covered by stock appreciation rights shall be counted against the number of shares available for grant under the 2016 Incentive Plan and against the sub-limitations described above. However, stock appreciation rights that may be settled only in cash shall not be so counted, and if a stock appreciation right is granted in tandem with an option for the same number of shares of Class A common stock and the grant provides that only one such Award may be exercised (which we refer to as a “tandem SAR”), only the shares covered by the option shall be counted, and the expiration of one in connection with the other’s exercise will not restore shares to the 2016 Incentive Plan. The shares covered by a tandem SAR will not again become available for grant under the 2016 Incentive Plan upon the expiration or termination of the tandem SAR. In the case of the exercise of a stock appreciation right, the number of shares counted against the shares available under the 2016 Incentive Plan and the sub-limitations described above shall be the full number of shares subject to the stock appreciation right multiplied by the percentage of the stock appreciation right actually exercised, regardless of the number of shares actually used to settle the stock appreciation right upon exercise.

In connection with a merger or consolidation of an entity with us or our acquisition of property or stock of an entity, our Board may grant Awards under the 2016 Incentive Plan in substitution for any options or other stock or stock-based Awards granted by such entity or an affiliate thereof on such terms as our Board determines appropriate in the circumstances, notwithstanding any limitation on Awards contained in the 2016 Incentive Plan. No such substitute Awards shall count against the overall share limits or sub-limitations described above, except as required by reason of Section 422 and related provisions of the Code.

Shares issued under the 2016 Incentive Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

Descriptions of Awards.

Options. Optionees receive the right to purchase a specified number of shares of Class A common stock at a specified option price and subject to such other terms and conditions as are specified in connection with the option grant. Only our employees or employees of our subsidiaries may receive “incentive stock options” as defined in Section 422 of the Code. An option that is not intended to be an “incentive stock option” is a “nonstatutory stock option”. Options may not be granted at an exercise price that is less than 100% of the fair market value of the Class A common stock on the effective date of grant; provided, however, that if our Board approves the grant of an option with an exercise price to be determined on a future date, the exercise price may not be less than 100% of the fair market value of the Class A common stock on such future date. Under present law, incentive stock options may not be granted at an exercise price less than 110% of the fair market value in the case of stock options granted to optionees holding more than 10% of the total combined voting power of all classes of our stock or any of our subsidiaries. Under the terms of the 2016 Incentive Plan, stock options may not be granted for a term in excess of 10 years (and, under present law, five years in the case of incentive stock options granted to optionees holding greater than 10% of the total combined voting power of all classes of our stock or any of our subsidiaries). The 2016 Incentive Plan permits participants to pay the exercise price of options using one or more of the following methods of payment: (1) payment by cash or check, or, except as may otherwise be provided in the applicable option agreement or approved by our Board, in connection with a “cashless exercise” through a broker, (2) to the extent provided in the applicable option agreement or approved by our Board, and subject to certain conditions, by surrender to us of shares of Class A common stock owned by the participant valued at their fair market value, (3) to the extent provided in an applicable nonstatutory stock option agreement or approved by our Board, and subject to certain conditions, by delivery of a notice of “net exercise” as a result of which we will retain a number of shares of Class A common stock otherwise issuable pursuant to the option equal to the aggregate exercise price for the portion of the option being exercised divided by the fair market value of Class A common stock on the date of exercise, (4) to the extent permitted by applicable law and provided for in the applicable option agreement or approved by our Board, by any other lawful means (provided that in no event may a promissory note of the participant be used to pay the option exercise price), or (5) any combination of the foregoing.

Stock Appreciation Rights. A stock appreciation right, or SAR, is an award entitling the holder, upon exercise, to receive a number of shares of Class A common stock or cash (or a combination thereof) determined by reference to the appreciation, from and after the date of grant, in the fair market value of a share of Class A common stock over the measurement price. The 2016 Incentive Plan provides that the measurement price of a SAR may not be less than 100% of the fair market value of Class A common stock on the effective date of grant (provided, however, that if our Board approves the grant of a SAR effective as of a future date, the measurement price shall not be less than 100% of the fair market value on such future date) and that SARs granted under the 2016 Incentive Plan may not have a term in excess of 10 years.

Limitation on Repricing of Options or SARs; Other Limitations. With respect to options and SARs, unless such action is approved by stockholders or otherwise permitted under the terms of the 2016 Incentive Plan in connection with certain changes in capitalization and reorganization events, we may not (1) amend any outstanding option or SAR granted under the 2016 Incentive Plan to provide an exercise price or measurement price per share that is lower than the then-current exercise price or measurement price per share of such outstanding option or SAR, (2) cancel any outstanding option or SAR (whether or not granted under the 2016 Incentive Plan) and grant in substitution therefor new Awards under the 2016 Incentive Plan (other than certain substitute Awards described above) covering the same or a different number of shares of Class A common stock and having an exercise price or measurement price per share lower than the then-current exercise price or measurement price per share of the cancelled option or SAR, (3) cancel in exchange for a cash payment any outstanding option or SAR with an exercise price or measurement price per share above the then-current fair market value of Class A common stock, or (4) take any other action under the 2016 Incentive Plan that constitutes a “repricing” within the meaning of the rules of the NASDAQ Stock Market. No option or SAR granted under the 2016 Incentive Plan shall contain any provision entitling the participant to the automatic grant of additional options or SARs in connection with any exercise of the original option or SAR, or provide for the payment or accrual of dividend equivalents.

Restricted Stock Awards. We may issue Awards entitling recipients to acquire shares of Class A common stock subject to our right to repurchase all or part of such shares at their issue price or other stated or formula price (or to require forfeiture of such shares if issued at no cost) from the recipient in the event that conditions specified by our Board in the applicable Award are not satisfied prior to the end of the applicable restriction period established for such Award. We refer to these Awards as Restricted Stock. Unless otherwise provided in the applicable Award agreement, any dividend declared and paid by us with respect to a share of Restricted Stock shall be paid to the participant (without interest) only if and when such shares of Restricted Stock become free from any applicable restrictions on transferability and forfeitability.

Restricted Stock Units. We may also grant Awards entitling the recipient to receive shares of Class A common stock (or cash equal to the fair market value of such shares) to be delivered the time such Award vests. We refer to these Awards as Restricted Stock Units. Our Board may, in its discretion, provide that settlement of Restricted Stock Units shall be deferred, on a mandatory basis or at the election of the participant, in a manner that complies with Section 409A of the Code. A participant has no voting rights with respect to any Restricted Stock Units. A grant of Restricted Stock Units may provide the participant with a right to receive dividend equivalents, which may be paid currently or credited to an account for the participant, may be settled in cash and/or shares of Class A common stock and shall be subject to the same restrictions on transfer and forfeitability as the underlying Restricted Stock Units. No interest will be paid on dividend equivalents.

Other Stock-Based Awards; Cash-Based Awards. Under the 2016 Incentive Plan, our Board may grant other Awards of shares of our Class A common stock and other Awards that are valued in whole or in part by reference to, or are otherwise based upon Class A common stock or other property, having such terms and conditions as our Board may determine. We refer to these types of Awards as Other Stock-Based Awards. Other Stock-Based Awards may be available as a form of payment in the settlement of other Awards granted under the 2016 Incentive Plan or as payment in lieu of compensation to which a participant is otherwise entitled. Other Stock-Based Awards may be paid in shares of Class A common stock or cash, as our Board determines. Dividend equivalents with respect to Other Stock-Based Awards may be paid currently or credited to an account for the participant, may be settled in cash and/or shares of Class A common stock and will be subject to the same restrictions on transfer and forfeitability as the underlying Other Stock-Based Award. No interest will be paid on dividend equivalents. Our Board may also grant Awards denominated in cash rather than shares of Class A common stock. We refer to these types of Awards as Cash-Based Awards.

Performance Awards. Restricted Stock, Restricted Stock Units, Other Stock-Based Awards and Cash-Based Awards granted under the 2016 Incentive Plan may be made subject to achievement of performance goals. We refer to these types of Awards as Performance Awards. Performance Awards can also provide for cash payments of up to \$2,000,000 per calendar year per individual. With respect to Performance Awards intended to qualify as “performance-based compensation” under Section 162(m) of the Code, a committee comprised solely of two or more directors eligible to serve on a committee making qualified “performance-based compensation” awards under Section 162(m) of the Code shall specify, at the time of grant, that such Performance Award will be granted, vest and/or pay out solely upon the achievement of specified objective performance criteria that are based on the relative or absolute attainment of specified levels of one or any combination of the following, which may be determined pursuant to generally accepted accounting principles, or GAAP, or on a non-GAAP basis, as determined by the Compensation Committee: earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations; earnings before interest and taxes; net cash provided by operating activities, cash flow or free cash flow; total shareholder return or relative total shareholder returns; economic value added; revenue or revenue growth; achievement of cost of operations or general and administration cost reduction goals; net income, earnings per share, or earnings per share growth; gross margin, earnings before interest and taxes margin, or earnings before interest, taxes, depreciation, amortization, accretion and depletion of landfill operating lease obligations margin; achievement of balance sheet goals, such as debt reduction or working capital improvement; consolidated leverage ratio; and return on net assets, investment or equity. The preceding performance criteria may reflect absolute entity or business unit performance or a relative comparison to the performance of a peer group of entities or other external measure of selected performance criteria and may be absolute in their terms or measured against or in relationship to other companies comparably, similarly or otherwise situated. The Compensation Committee may specify that such performance measures shall be adjusted to exclude any one or more of (i) gains or losses on assets sales or divestiture transactions; (ii) development project charge write-offs; (iii) legal, contract or tax settlement costs; (iv) bargain purchase gains; (v) asset or goodwill impairment charges; (vi) environmental remediation charges; (vii) severance and reorganization costs; (viii) expenses from divestiture, acquisition and financing transactions; (ix) gains on the settlement of acquisition related contingent consideration; (x) fiscal year-end transition costs; (xi) proxy contest costs; (xii) losses on the abandonment or the closure and discontinuation of operations; (xiii) impairment of equity method investments; (xiv) gains or losses on the sale of equity method investments; (xv) gains or losses on debt extinguishment or modification and associated cash interest payment timing differences; (xvi) gains or losses on derivatives deemed to be ineffective or terminated; (xvii) gains or losses on the disposition of discontinued operations; (xviii) fluctuations in foreign currency exchange rates; (xix) non-recurring or unusual gains or losses; (xx) the cumulative effects of changes in GAAP; and (xxi) cash flow timing differences due to unusual or non-recurring transactions. Such performance measures (x) may vary by participant and may be different for different Awards; (y) may be particular to a participant or the department, branch, line of business, subsidiary or other unit in which the participant works and may cover such period as may be specified by the Compensation Committee; and (z) shall be set by the Compensation Committee within the time period prescribed by, and shall otherwise comply with the requirements of, Section 162(m). The Compensation Committee may adjust downwards, but not upwards, the cash or number of shares payable pursuant to such Awards and may not waive the achievement of the applicable performance measures except in the case of the death or disability of the participant or a change in control of Casella. Performance Awards that are not intended to qualify as “performance-based compensation” under Section 162(m) may be based on these or other performance measures as determined by our Board.

Transferability of Awards.

Except as our Board may otherwise determine or provide in an Award in connection with certain gratuitous transfers, Awards may not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution or, other than in the case of an incentive stock option, pursuant to a qualified domestic relations order. During the life of the participant, Awards are exercisable only by the participant.

Eligibility to Receive Awards.

Employees, officers, directors, consultants and advisors of Casella and of our present or future parent or subsidiary corporations and any other business venture in which Casella has a controlling interest (as determined by our Board) are eligible to be granted Awards under the 2016 Incentive Plan. However, incentive stock options may only be granted to our employees, employees of our present or future parent or subsidiary corporations, and employees of any other entities the employees of which are eligible to receive incentive stock options under the Code. As of September 15, 2016, approximately 1,900 persons were eligible to receive Awards under the 2016 Incentive Plan, including our executive officers and non-employee directors. The granting of Awards under the 2016 Incentive Plan is discretionary, and we cannot now determine the number or type of Awards to be granted in the future to any particular person or group, except that Awards are subject to the limitations described above. On September 30, 2016, the last reported sale price of Class A common stock on the Nasdaq Global Select Market was \$10.30.

Clawback Policy

All awards granted under the 2016 Incentive Plan are subject to clawback pursuant to the Company's Compensation Clawback Policy (described above under "Corporate Governance—Compensation Clawback Policy") and any other clawback policy that the Company may adopt in the future.

Administration.

Our Board administers the 2016 Incentive Plan and is authorized to grant Awards, to adopt, amend and repeal the administrative rules, guidelines and practices relating to the 2016 Incentive Plan and to construe and interpret the provisions of the 2016 Incentive Plan and any Award agreements entered into under the 2016 Incentive Plan. Our Board may correct any defect, supply any omission or reconcile any inconsistency in the 2016 Incentive Plan or any Award. All actions and decisions by the Board with respect to the 2016 Incentive Plan and any Awards shall be made in our Board's discretion and shall be final and binding on all persons having or claiming any interest in the 2016 Incentive Plan or any Award.

Pursuant to the terms of the 2016 Incentive Plan, our Board may delegate authority under the 2016 Incentive Plan to one or more committees or subcommittees of our Board. Our Board has authorized the Compensation Committee to administer certain aspects of the 2016 Incentive Plan, including the granting of awards to directors and executive officers. The Compensation Committee, with the input of management, selects the recipients of Awards and determines, in addition to other items, and subject to the terms of the 2016 Incentive Plan:

- the number of shares of Class A common stock, cash or other consideration covered by Awards and the terms and conditions of such Awards, including the dates upon which such Awards become exercisable or otherwise vest;
- the exercise or measurement price of Awards, if any;
- the effect on Awards of a change in control of us; and
- the duration of Awards.

Subject to any requirements of applicable law, our Board may delegate to one or more of our officers the power to grant Awards to our employees or non-executive officers and to exercise such other powers under the 2016 Incentive Plan as our Board may determine, provided that our Board shall fix the terms of the Awards to be granted by such officers, the maximum number of shares subject to Awards that the officers may grant, and the time period in which such Awards may be granted. No officer shall be authorized to grant Awards to any of our executive officers.

Awards to non-employee directors will only be granted and administered by a committee, all the members of which are independent as defined by Section 5605(a)(2) of the NASDAQ Marketplace Rules.

The 2016 Incentive Plan provides that no Award may vest earlier than the first anniversary of its date of grant. However, the foregoing minimum-vesting rule does not apply to (1) Awards granted in lieu of salary, bonus or other compensation otherwise earned by or payable to the participant and (2) Awards granted, in the aggregate, for up to 5% of the maximum number of authorized shares available for issuance under the 2016 Incentive Plan. Notwithstanding the 2016 Incentive Plan's minimum-vesting rule described above, our Board may at any time provide that any Award will become immediately exercisable in whole or in part, free of some or all restrictions or conditions, or otherwise realizable in whole or in part, as the case may be.

Except as otherwise provided under the 2016 Incentive Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and our Board need not treat participants uniformly. Our Board shall determine the effect on an Award of the disability, death, termination or other cessation of employment, authorized leave of absence or other change in the employment or other status of a participant and the extent to which, and the period during which, the participant (or the participant's legal representative, conservator, guardian or designated beneficiary) may exercise rights under the Award.

We are required to make equitable adjustments (in the manner determined by our Board) to the number and class of securities available under the 2016 Incentive Plan and any outstanding Awards under the 2016 Incentive Plan and the share counting rules and sub-limits set forth in the 2016 Incentive Plan, to reflect stock splits, stock dividends, recapitalizations, combinations of shares, reclassifications of shares, spin-offs and other similar changes in capitalization or events or any dividends or distributions to holders of Class A common stock other than ordinary cash dividends.

We will indemnify and hold harmless each director, officer, employee or agent to whom any duty or power relating to the administration or interpretation of the 2016 Incentive Plan has been or will be delegated against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with our Board's approval) arising out of any act or omission to act concerning the 2016 Incentive Plan unless arising out of such person's own fraud or bad faith.

Amendment of Awards. Except as otherwise provided under the 2016 Incentive Plan with respect to repricing outstanding stock options or SARs and the minimum vesting rules and exclusions thereto, our Board may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type, changing the date of exercise or realization, and converting an incentive stock option to a nonstatutory stock option, provided that the participant's consent to any such action will be required unless our Board determines that the action, taking into account any related action, does not materially and adversely affect the participant's rights under the 2016 Incentive Plan or the change is otherwise permitted under the terms of the 2016 Incentive Plan in connection with a change in capitalization or reorganization event.

Reorganization Events; Change in Control Events.

Definitions. The 2016 Incentive Plan contains provisions addressing the consequences of any reorganization event or change in control event.

A "reorganization event" is defined under the terms of the 2016 Incentive Plan to mean (a) any merger or consolidation of Casella with or into another entity as a result of which all of the Class A common stock is converted into or exchanged for the right to receive cash, securities or other property, or is cancelled, or (b) any exchange of shares of Class A common stock for cash, securities or other property pursuant to a share exchange or other transaction.

A "change in control event," as defined under the terms of the 2016 Incentive Plan, means (a) any merger or consolidation which results in our voting securities outstanding immediately prior to such merger or consolidation representing immediately thereafter (either by remaining outstanding or by being converted into voting securities of the surviving or acquiring entity) less than 50% of the combined voting power of the voting securities of us or such surviving or acquiring entity outstanding immediately after such merger or consolidation; (b) subject to certain exceptions contained in the definition of change in control event under the 2016 Incentive Plan, the acquisition by an individual, entity or group of beneficial ownership of any of our capital stock if, after such acquisition, such person beneficial owns 50% or more of either our then-outstanding shares of Class A common stock or the combined voting power of our then-outstanding voting securities entitled to vote generally in the election of directors; (c) any sale of all or substantially all of our assets; or (d) our complete liquidation.

Awards Other than Restricted Stock; Alternatives Available to our Board. Under the 2016 Incentive Plan, if a reorganization event occurs (regardless of whether such event also constitutes a change in control event), our Board may take any one or more of the following actions as to all or any (or any portion of) outstanding Awards other than Restricted Stock on such terms as our Board determines (except to the extent specifically provided otherwise in an applicable Award agreement or another agreement between a participant and us): (1) provide that such Awards shall be assumed, or substantially equivalent Awards shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof), (2) upon written notice to a participant, provide that all of the participant's unexercised Awards will terminate immediately prior to the consummation of such reorganization event unless exercised by the participant (to the extent then exercisable) within a specified period following the date of such notice, (3) provide that outstanding Awards shall become exercisable, realizable, or deliverable, or restrictions applicable to an Award shall lapse, in whole or in part prior to or upon such reorganization event, (4) in the event of a reorganization event under the terms of which holders of Class A common stock will receive upon consummation thereof a cash payment for each share surrendered in the reorganization event, which we refer to as the Acquisition Price, make or provide for a cash payment to participants with respect to each Award held by a participant equal to (A) the number of shares of Class A common stock subject to the vested portion of the Award (after giving effect to any acceleration of vesting that occurs upon or immediately prior to such reorganization event) multiplied by (B) the excess, if any, of (I) the Acquisition Price over (II) the exercise, grant or purchase price of such Award and any applicable tax withholdings, in exchange for the termination of such Award, and (5) any combination of the foregoing. Our Board is not obligated to treat all Awards, all Awards held by a participant, or all Awards of the same type, identically.

The 2016 Incentive Plan also provides, however, that for Restricted Stock Units that are subject to Section 409A of the Code: (A) if the applicable Restricted Stock Unit agreement provides that the Restricted Stock Units shall be settled upon a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i), and the reorganization event constitutes such a "change in control event," then no assumption or substitution of the Restricted Stock Unit shall be permitted, and the Restricted Stock Units shall instead be settled in accordance with the terms of the applicable Restricted Stock Unit agreement; and (B) our Board may only undertake the actions set forth in clauses (3), (4) or (5) above if the reorganization event is a "change in control event" as so defined under the Treasury Regulation and such action is permitted or required by Section 409A of the Code. If the reorganization event does not constitute a "change in control event" as defined in the Treasury Regulation or such action is not permitted or required by Section 409A of the Code, and the acquiring or succeeding corporation does not assume or substitute the Restricted Stock Units pursuant to clause (1) above, then the unvested Restricted Stock Units shall terminate immediately prior to the consummation of the reorganization event without any payment in exchange therefor.

Notwithstanding the foregoing, if a change in control event occurs, then except to the extent specifically provided to the contrary in the instrument evidencing an Award or any other agreement between a participant and us, each Award (other than Restricted Stock) shall become immediately vested, exercisable, or free from forfeiture, as applicable, if on or prior to the first anniversary of the date of the consummation of the change in control event, the participant's service with us or a successor corporation is terminated without cause (as defined in the 2016 Incentive Plan) by us or the successor corporation.

Provisions Applicable to Restricted Stock. Upon the occurrence of a reorganization event (regardless of whether such event also constitutes a change in control event), our repurchase and other rights with respect to outstanding Restricted Stock shall inure to the benefit of our successor and shall, unless our Board determines otherwise, apply to the cash, securities or other property which the Class A common stock was converted into or exchanged for pursuant to such reorganization event in the same manner and to the same extent as they applied to such Restricted Stock; provided, however, that our Board may provide for termination or deemed satisfaction of such repurchase or other rights under the instrument evidencing any Restricted Stock or any other agreement between a participant and us, either initially or by amendment.

Upon the occurrence of a change in control event (regardless of whether such event also constitutes a reorganization event), except to the extent specifically provided to the contrary in the instrument evidencing an Award or any other agreement between a participant and us, each Award of Restricted Stock will become immediately vested and free from forfeiture if on or prior to the first anniversary of the date of the consummation of the change in control event, the participant's service with us or a successor corporation is terminated without cause (as defined in the 2016 Incentive Plan) by us or the successor corporation.

Provisions for Foreign Participants.

Our Board may from time to time establish one or more sub-plans under the 2016 Incentive Plan for purposes of satisfying applicable securities, tax or other laws of various jurisdictions. Our Board shall establish such sub-plans by adopting supplements to the 2016 Incentive Plan containing any limitations on our Board's discretion under the 2016 Incentive Plan as our Board shall deem necessary or desirable and any additional terms and conditions not otherwise inconsistent with the 2016 Incentive Plan that our Board shall deem necessary or desirable. All supplements adopted by our Board shall be deemed to be part of the 2016 Incentive Plan, but each supplement shall apply only to participants within the affected jurisdiction.

Amendment or Termination.

Our Board may amend, suspend or terminate the 2016 Incentive Plan or any portion thereof at any time provided that (1) to the extent required by Section 162(m) of the Code, no Award granted to a participant that is intended to comply with Section 162(m) after the date of such amendment shall become exercisable, realizable or vested, as applicable to such Award, unless and until our stockholders approve such amendment in the manner required by Section 162(m); (2) no amendment that would require stockholder approval under the rules of the national securities exchange on which we then maintain our primary listing may be made effective unless and until our stockholders approve such amendment; and (3) if the national securities exchange on which we then maintain our primary listing does not have rules regarding when stockholder approval of amendments to equity compensation plans is required (or if the Class A common stock is not then listed on any national securities exchange), then no amendment to the 2016 Incentive Plan (A) materially increasing the number of shares authorized under the 2016 Incentive Plan (other than as provided for in the 2016 Incentive Plan in connection with substitute Awards, changes in capitalization or reorganization events), (B) expanding the types of Awards that may be granted under the 2016 Incentive Plan, or (C) materially expanding the class of participants eligible to participate in the 2016 Incentive Plan shall be effective unless and until our stockholders approve such amendment. In addition, if at any time the approval of our stockholders is required as to any other modification or amendment under Section 422 of the Code or any successor provision with respect to incentive stock options, our Board may not effect such modification or amendment without such approval. Unless otherwise specified in the amendment, any amendment to the 2016 Incentive Plan adopted in accordance with the procedures described above shall apply to, and be binding on the holders of, all Awards outstanding under the 2016 Incentive Plan at the time the amendment is adopted, provided that our Board determines that such amendment, taking into account any related action, does not materially and adversely affect the rights of participants under the 2016 Incentive Plan. No Award may be made that is conditioned upon stockholder approval of any amendment to the 2016 Incentive Plan unless the Award provides that (i) it will terminate or be forfeited if stockholder approval of such amendment is not obtained within no more than 12 months from the date of grant and (ii) it may not be exercised or settled (or otherwise result in the issuance of Class A common stock) prior to such stockholder approval.

Effective Date and Term of 2016 Incentive Plan.

The 2016 Incentive Plan shall become effective on the date the plan is approved by our stockholders. No Awards shall be granted under the 2016 Incentive Plan after the expiration of 10 years from the effective date, but Awards previously granted may extend beyond that date.

Federal Income Tax Consequences

The following generally summarizes the United States federal income tax consequences that generally will arise with respect to Awards granted under the 2016 Incentive Plan. This summary is based on the federal tax laws in effect as of the date of this proxy statement. In addition, this summary assumes that all Awards are exempt from, or comply with, the rules under Section 409A of the Code regarding nonqualified deferred compensation. Changes to these laws or assumptions could alter the tax consequences described below.

Incentive Stock Options. A participant will not have income upon the grant of an incentive stock option. Also, except as described below, a participant will not have income upon exercise of an incentive stock option if the participant has been employed by us or our corporate parent or 50% or more-owned corporate subsidiary at all times beginning with the option grant date and ending three months before the date the participant exercises the option. If the participant has not been so employed during that time, then the participant will be taxed as described below under “Nonstatutory Stock Options.” The exercise of an incentive stock option may subject the participant to the alternative minimum tax.

A participant will have income upon the sale of the stock acquired under an incentive stock option, which we refer to as ISO stock, at a profit (if sales proceeds exceed the exercise price). The type of income will depend on when the participant sells the ISO stock. If a participant sells the ISO stock more than two years after the option was granted and more than one year after the option was exercised, then all of the profit will be long-term capital gain. If a participant sells the ISO stock prior to satisfying these waiting periods, then the participant will have engaged in a disqualifying disposition and a portion of the profit will be ordinary income and a portion may be capital gain. This capital gain will be long-term if the participant has held the ISO stock for more than one year and otherwise will be short-term. If a participant sells the ISO stock at a loss (sales proceeds are less than the exercise price), then the loss will be a capital loss. This capital loss will be long-term if the participant held the ISO stock for more than one year and otherwise will be short-term.

Nonstatutory Stock Options. A participant will not have income upon the grant of a nonstatutory stock option. A participant will have compensation income upon the exercise of a nonstatutory stock option equal to the fair market value of the stock on the day the participant exercised the option less the exercise price. Upon sale of the stock, which we refer to as NSO stock, the participant will have capital gain or loss equal to the difference between the sales proceeds and the fair market value of the NSO stock on the day the option was exercised. This capital gain or loss will be long-term if the participant has held the NSO stock for more than one year and otherwise will be short-term.

Stock Appreciation Rights. A participant will not have income upon the grant of a SAR but generally will recognize compensation income upon the exercise of a SAR equal to the amount of the cash and the fair market value of any stock received. Upon the sale of the stock, the participant will have capital gain or loss equal to the difference between the sales proceeds and the value of the stock on the day the SAR was exercised. This capital gain or loss will be long-term if the participant held the stock for more than one year and otherwise will be short-term.

Restricted Stock. A participant will not have income upon the grant of Restricted Stock unless an election under Section 83(b) of the Code is made within 30 days of the date of grant. If a timely Section 83(b) election is made, then a participant will have compensation income equal to the fair market value of the stock on the date of grant less the purchase price, if any. When the stock is sold, the participant will have capital gain or loss equal to the difference between the sales proceeds and the fair market value of the stock on the date of grant. If the participant does not make a Section 83(b) election, then when the shares of Restricted Stock vest the participant will have compensation income equal to the fair market value of the stock on the vesting date less the purchase price. When the stock is sold, the participant will have capital gain or loss equal to the sales proceeds less the fair market value of the stock on the vesting date. Any capital gain or loss will be long-term if the participant held the stock for more than one year and otherwise will be short-term.

Restricted Stock Units. A participant will not have income upon the grant of a Restricted Stock Unit. A participant is not permitted to make a Section 83(b) election with respect to a Restricted Stock Unit. When the Restricted Stock Unit vests, the participant will have income on the vesting date in an amount equal to the fair market value of the stock on the vesting date less the purchase price, if any. When the stock is sold, the participant will have capital gain or loss equal to the sales proceeds less the value of the stock on the vesting date. Any capital gain or loss will be long-term if the participant held the stock for more than one year and otherwise will be short-term.

Other Stock-Based Awards. The tax consequences associated with any Other Stock-Based Award granted under the 2016 Incentive Plan will vary depending on the specific terms of the Award. Among the relevant factors are whether or not the Award has a readily ascertainable fair market value, whether or not the Award is subject to forfeiture provisions or restrictions on transfer, the nature of the property to be received by the participant under the Award and the participant's holding period and tax basis for the Award or underlying Class A common stock.

Tax Consequences to Us. There will be no tax consequences to us except that we will be entitled to a deduction when a participant has compensation income. Any such deduction will be subject to the limitations of Section 162(m) of the Code.

BOARD RECOMMENDATION

Our Board unanimously recommends that you vote to approve the Casella Waste Systems, Inc. 2016 Incentive Plan by voting “FOR” Proposal 3.