

WARSHAW BURSTEIN COHEN SCHLESINGER & KUH

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September 16, 1994

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oALSO ADMITTED IN FLORIDA
oALSO ADMITTED IN CONNECTICUT
oALSO ADMITTED IN MASSACHUSETTS

RECORDED 18984
SEP 19 1994 2 55 PM
INTERNATIONAL TELECOMMUNICATIONS

CHARLES L. SYLVESTER
(1927-1982)

DAVID WARSHAW
(1951-1979)

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MILTON WARSHAW

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Via Federal Express
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Room 2303
Washington, D.C. 20423

Re: Brooklyn Resources Recovery, Inc.

Ladies and Gentlemen:

On behalf of Bank Leumi Trust Company of New York (the "Bank"), enclosed for filing are one signed and one conformed copy of an Amended and Restated Security Agreement dated August 17, 1994, by and between Brooklyn Resource Recovery, Inc. and the Bank with exhibits (the "Agreement") and this firm's check in the amount of eighteen dollars (\$18.00). The Agreement is being filed to perfect the Bank's security interest in the collateral described in the security agreement.

Please stamp and return the enclosed copy of this letter to the undersigned in the post-paid envelope to evidence your receipt thereof.

Sincerely,

WARSHAW BURSTEIN COHEN
SCHLESINGER & KUH

Elisa Pollack
Elisa B. Pollack

Enclosures

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Interstate Commerce Commission
Washington, D.C. 20423

9/19/94

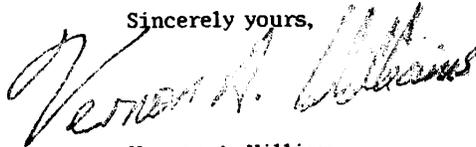
OFFICE OF THE SECRETARY

Elisa B. Pollack
Warsaw Burstein Cohen Schlesinger & Kun
555 Fifth Avenue
New York, New York 10017

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/19/94 at 2:55PM, and assigned recordation number(s) 18984.

Sincerely yours,



Vernon A. Williams
Acting Secretary

Enclosure(s)

(0100370015)

§ 18:00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



RECORDATION NO. 18984

SEP 19 1994 2:55 PM

INTERNATIONAL SECURITY CORPORATION

AMENDED AND RESTATED SECURITY AGREEMENT dated August 17, 1994, by and between Brooklyn Resource Recovery, Inc., a New York corporation with its principal place of business at 5811 Preston Court, Brooklyn, New York (the "Debtor"), and Bank Leumi Trust Company of New York, a New York banking corporation (the "Bank"), with an office at 579 Fifth Avenue, New York, York.

RECITALS

The Bank and the Debtor entered into a Security Agreement, dated October 25, 1990 (the "Security Agreement"), wherein and whereby the Debtor granted the Bank a first priority security interest in certain Collateral, therein described, to secure repayment to the Bank of a loan concurrently made by the Bank to the Debtor in the initial principal amount of \$750,000 (the "Term Loan").

The Bank thereafter made certain working capital loans to the Borrower, the most recent of which was in the principal amount of \$280,000 (the "Working Capital Loan"), as evidenced by a Floating Rate Promissory Note, dated July 1, 1993 (the "WC Note").

The Bank and the Debtor have entered into a letter agreement, dated even date herewith, wherein and whereby, and subject to the terms and conditions therein, the Bank has agreed, among other things, to forbear with respect to collecting the principal balances now due on the Term Loan and the Working Capital Loan; provided, however, that the Debtor grant the Bank a mortgage, lien and security interest in certain additional collateral herein identified, and otherwise amend the Security Agreement.

NOW, THEREFORE, the Bank and the Debtor agree as follows:

1. Incorporation by Reference. Annexed hereto as Exhibit A and B, respectively, are copies of the Security Agreement and the WC Note. Each and every term of the Security Agreement and the fourth paragraph of the WC Note are hereby incorporated herein by reference, and deemed terms and conditions of this Amended and Restated Security Agreement.

2. Additional Collateral. As security for the full and prompt payment of any and all liabilities of the Debtor to the Bank, including but not limited to the Debtor's obligations to repay the Term Loan, the Working Capital Loan and the 1994 Loan, the Debtor hereby assigns and transfers to the Bank and grants the Bank a mortgage on and first security interest in certain railroad cars as described below (collectively, the "New Collateral"):

BRRX 1001	BRRX 1011
BRRX 1002	BRRX 1012
BRRX 1003	BRRX 1013
BRRX 1004	BRRX 1014
BRRX 1005	BRRX 1015
BRRX 1006	BRRX 1016
BRRX 1007	BRRX 1017
BRRX 1008	BRRX 1018
BRRX 1009	BRRX 1019
BRRX 1010	BRRX 1020

3. Representations and Warranties. The Debtor represents and warrants to the Bank that the Debtor owns and holds title to the New Collateral free and clear of all liens and encumbrances.

4. Cross Collateralization. The Debtor hereby acknowledges and agrees that the collateral described in the Security Agreement, in the WC Note, and the New Collateral secures and collateralizes the Debtor's obligations to the Bank to repay the Term Loan and the Working Capital Loan.

5. Application of Proceeds. The net proceeds from any foreclosure of the New Collateral shall be applied first in reduction or payment, as applicable, of the Term Loan or the WC Loan.

6. Filing. The debtor hereby authorizes the Bank to cause an original counterpart of this Amended and Restated Security Agreement to be filed with the Interstate Commerce Commission.

7. Ratification. As hereby amended and restated, the Debtor and the Bank reaffirm the Security Agreement.

IN WITNESS WHEREOF, the Debtor and the Bank have executed this Amended and Restated Security Agreement the date first above set forth.

BANK LEUMI TRUST COMPANY
OF NEW YORK

By: Jeffrey Reiser
Jeffrey Reiser

BROOKLYN RESOURCE RECOVERY, INC.

By: Robert Rosselli
Robert Rosselli, President

STATE OF NEW YORK)

: ss.:

COUNTY OF NEW YORK)

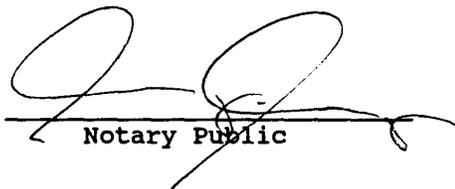
On the ¹⁴~~17~~th day of ^{September}~~August~~ in the year 1994, before me personally came Jeffrey Reiser, to me known, who, being by me duly sworn, did depose and say that he has an office at 562 Fifth Avenue, New York, New York, that he is an Assistant Vice President of Bank Leumi Trust Company of New York, the corporate described in and which executed the above instrument, and that he signed his name thereto by order of the board of directors of said corporation.

Sonia Lawrence Bedneal
Notary Public

SONIA LAWRENCE BEDNEAL
Notary Public, State of New York
No. 01-4894014
Qualified in Nassau County
Commission Expires ^{June} ~~May~~ 11, 1995

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On the ¹³th day of ^{Sept} August in the year 1994, before me personally came Robert Rosselli, to me known, who, being by me duly sworn, did depose and say that he resides at ^{Brook n.y.}, that he is the President of Brooklyn Resource Recovery, Inc., the corporate described in and which executed the above instrument, and that he signed his name thereto by order of the board of directors of said corporation.


Notary Public

ANTHONY J. GENOVESI JR.
NOTARY PUBLIC, State of New York
No. 24-4953800
Qualified in Kings County
Commission Expires July 31, 1995

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SECURITY AGREEMENT

Exhibit A

In consideration of financial accommodations heretofore extended or to be extended or continued to the undersigned by BANK LEUMI TRUST COMPANY OF NEW YORK (the "Bank"), the undersigned hereby agrees as follows:

1. As security for the full and prompt payment of any and all Liabilities (as hereinafter defined), the undersigned hereby assigns and transfers to the Bank and grants the Bank a security interest in all Security (as hereinafter defined). Said grant is made for the benefit of the Bank and or any others having a participation or other interest in any of the Liabilities, in such proportions as the Bank shall in its sole discretion determine.

2. The term "Liabilities" as used herein shall include all liabilities and obligations of any kind of the undersigned (or any partnership or other group of which the undersigned is a member) to (i) the Bank, (ii) any group of which the Bank is a member or (iii) any other person if the Bank has a participation or other interest in such liabilities or obligations, whether (a) for the Bank's own account or as agent for others, (b) acquired directly or indirectly by the Bank from the undersigned or others, (c) absolute or contingent, joint or several, secured or unsecured, liquidated or unliquidated, due or not due, contractual or tortious, now existing or hereinafter arising, or (d) incurred by the undersigned as principal, surety, endorser, guarantor or otherwise, and including without limitation all expenses, including attorneys' fees, incurred by the Bank in connection with any such liabilities or obligations or any Security therefor.

3. The term "Security" as used herein shall include all of the property described in Schedule A hereto.

4. The right is granted to the Bank, in its discretion, to file one or more financing statements (with or, to the extent permitted by law, without the signature of the undersigned) under the Uniform Commercial Code naming the undersigned as debtor and the Bank as secured party and indicating therein the types or describing the items of Security herein specified. The undersigned will execute, file and record any notices, affidavits or other documents and take all such other actions as the Bank may deem appropriate to protect or perfect its security interest in the Security or to otherwise accomplish the purposes of this agreement. The undersigned hereby agrees to pay on demand, and, or authorizes the Bank to charge its account with the cost of, any and all filing, recording and other fees and expenses which the Bank deems appropriate in order to protect or perfect its security interest in the Security or to otherwise accomplish the purposes of this agreement, including without limitation the cost of all searches of public records as the Bank in its sole discretion shall require. The undersigned will promptly notify the Bank of the imposition at any time of any lien or encumbrance upon any of the Security. Notwithstanding the foregoing, the undersigned represents, warrants and covenants that all of the Security now existing or hereafter arising or acquired is and will be owned by the undersigned free and clear of all security interests, liens and encumbrances of any kind, except for the security interest herein granted to the Bank. The undersigned shall promptly pay when due all taxes and transportation, storage and warehousing charges affecting or arising out of the Security. The undersigned will defend the Security against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Bank.

Notwithstanding the foregoing, the Bank shall have no obligation to comply with any recording, re-recording, filing, re-filing, or other legal requirements necessary to establish or maintain the validity, priority or enforceability of, or the Bank's right in or to, the Security or any part thereof.

5. The right is granted to the Bank, in its discretion, at any time, (a) to transfer to or register in the name of itself or any of its nominees any of the Security, and whether or not so transferred or registered, to receive the income and dividends thereon, including stock dividends and rights to subscribe, and to hold the same as a part of the Security and or apply the same as hereinafter provided; (b) to exchange any of the Security for other property upon any reorganization, recapitalization, or other readjustment and in connection therewith to deposit any of the Security with any committee or depository upon such terms as the Bank may determine; (c) in any bankruptcy or similar proceeding to file a proof of claim for the full amount of the Security and to vote such claim for or against any arrangement or with respect to any other matter; (d) in its own name or in the name of the undersigned or any other appropriate person, to demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any compromise or settlement it may deem desirable with respect to, any of the Security; (e) to extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release, any of the Security; (f) to contest, pay and or discharge all liens, encumbrances, taxes or assessments on, or claims, actions or demands against, any of the Security and to take all actions and proceedings in its own name or in the name of the undersigned or any other appropriate person in order to remove or contest such liens, encumbrances, taxes, assessments, claims, actions or demands; or to refrain from doing any of the foregoing, all without affecting the Liabilities and the Security and without notice or liability to or the consent of the undersigned except to account for property actually received by the Bank. The undersigned hereby irrevocably appoints the Bank its attorney-in-fact, with authority to receive, open and dispose of all mail addressed to the undersigned and to notify the Post Office authorities to change the address for delivery of mail addressed to the undersigned to such address as the Bank may designate; to endorse the name of the undersigned on any instruments that may come into the Bank's possession; to sign the name of the undersigned on any notices to account debtors of the undersigned and request for verification of accounts; to sign the name of the undersigned on any assignment or other instruments of conveyance or transfer of any of the Security; and to take all such other actions as the Bank may deem appropriate to carry out and enforce this agreement and to exercise the Bank's rights hereunder. The Bank shall not be obligated to exercise any authority or right granted to it hereunder and shall not be liable for any action taken or omitted or the manner of taking any action, except for its willful misconduct, and in no event for consequential damages.

6. The undersigned will pay to the Bank all costs and expenses incurred and sums paid by the Bank (including without limitation attorneys' fees, insurance premiums and sales commissions) in connection with the custody, care, collection, repair, storage or preparation for or any actual or attempted disposition of any of the Security, the collection of any proceeds of insurance with respect to the Security or otherwise in connection with this agreement.

7. At any time and from time to time, upon demand by the Bank, the undersigned will (a) deliver to the Bank, endorsed and/or accompanied by instruments of assignment and transfer, in such form and containing such terms as the Bank may request, any and all instruments, documents and/or chattel paper constituting part of the Security, as the Bank may specify in its demand, (b) mark all Security and all books and records relating thereto in such manner as the Bank may require, and (c) permit representatives of the Bank at any time to inspect the Security and to inspect and make abstracts from any of the undersigned's books and records and to answer promptly all of the Bank's written or oral inquiries with respect thereto. If the undersigned, as registered holder of any of the Security, shall receive any stock certificate, option or right, whether as an addition to, or in substitution or exchange for, any Security, or otherwise, the undersigned agrees to accept the same as the Bank's agent and to hold the same in trust for the Bank, and to forthwith deliver the same to the Bank in the exact form received, with the undersigned's endorsement thereof if requested by the Bank, to be held by the Bank as part of the Security. The undersigned assigns to the Bank all of the undersigned's rights (but none of its obligations) in, to and under all collateral, guarantees, subordinations and other rights and benefits now or hereafter received by the undersigned with respect to the Security and agrees to deliver to the Bank, upon demand, all agreements, instruments and/or documents evidencing same, endorsed and/or accompanied by instruments of assignment and transfer, in such form and containing such terms as the Bank may request.

8. Upon demand from the Bank at any time that any of the Liabilities are outstanding, the undersigned will assign and transfer to the Bank and grant to the Bank a security interest in additional Security of a value and character satisfactory to the Bank or make such payment on account of the Liabilities as the Bank may require.

9. Upon the occurrence of an Event of Default (as hereinafter defined), (a) any or all of the Liabilities shall, at the option of the Bank and notwithstanding any time or credit allowed by any instrument evidencing a Liability, be immediately due and payable without notice, demand or presentment; (b) the Bank may, in its discretion, take possession of the Security and, for that purpose, may enter, with the assistance of any persons, any premises where the Security or any part thereof may be located, and retain possession of the Security at such premises or remove the same therefrom; (c) the undersigned shall, at the request of the Bank, assemble the Security at such places as the Bank may designate and cooperate in all other respects with the Bank in the exercise of its rights hereunder; (d) the Bank may vote any shares of stock or other securities and exercise all or any powers with respect thereto with the same force and effect as an absolute owner thereof; (e) the Bank may sell any of the Security or cause the same to be sold in the Borough of Manhattan, New York City, or elsewhere, in one or more sales or parcels, at such price and on such terms as the Bank may deem advisable, for cash or on credit, for immediate or future delivery, without assumption of any credit risk, at any public or private sales or other dispositions, without demand of performance (which demand is hereby expressly waived), on at least 5 days notice to the undersigned (if any notice is required by law) of any public sale or the time after which a private sale or other disposition may be made (which notice the undersigned acknowledges is reasonable), and in connection therewith may grant options and may impose reasonable conditions thereon, and the purchasers of

any of the Security so sold shall thereafter hold the same absolutely, free from any claim or right of any kind, including any equity of redemption of the undersigned (any such equity being hereby expressly waived and released), and the Bank or any of its nominees or agents may buy at any public sale and if the Security is of a type sold in a recognized market, or is of a type which is the subject of widely distributed standard price quotations, buy at private sale; and (f) in addition to and notwithstanding any other rights granted by law or herein (or any limitations contained herein on any such rights), the Bank shall have the rights and remedies with respect to the Security of a secured party under the Uniform Commercial Code of the State of New York. The undersigned agrees that any action taken by the Bank in accordance with this paragraph shall be deemed to be commercially reasonable.

10. As used in this agreement, the term "Event of Default" shall mean: (a) nonpayment when due of any of the Liabilities or failure on the part of an Obligor (as hereinafter defined) to observe or perform any agreement or obligation to be observed or performed hereunder or under any other agreement or instrument relating to the Liabilities or to any other liability or obligation of an Obligor to the Bank; (b) making by an Obligor of any misrepresentation to the Bank or failure on the part of an Obligor to disclose to the Bank any material fact in connection with obtaining credit or an extension of credit, either contemporaneously herewith or at any time prior or subsequent to the execution hereof; (c) failure of an Obligor to furnish financial information forthwith on demand by the Bank or to permit the inspection of any books or records; (d) failure of an Obligor to pay, withhold, collect or remit when assessed or due any tax, assessment or other sum payable with respect to any of the Security (including without limitation any premium on any insurance policy assigned to the Bank as part of the Security), or the making of any tax assessment against any Obligor by the United States or any state or local government; (e) commencement of any proceeding, procedure, or remedy supplementary to or in enforcement of any judgment (including without limitation a proceeding under Article 52 of the New York Civil Practice Law and Rules), issuance of any writ or order of attachment or garnishment, or the existence of any other lien against or with respect to any property of an Obligor; (f) death of an Obligor, if an individual, or any member of an Obligor, if a partnership or joint venture; (g) dissolution, liquidation or other termination of existence, or adoption of any resolution for the dissolution, liquidation or other termination of existence, of an Obligor; (h) suspension of the usual business of an Obligor or the condemnation or seizure of a substantial part of an Obligor's property by any governmental authority or court at the instance thereof; (i) failure of an Obligor to generally pay its debts as they become due or insolvency or business failure of an Obligor, filing of an application for or appointment of a trustee, custodian or receiver for an Obligor or of any part of an Obligor's property, assignment for the benefit of creditors by an Obligor, filing of a petition in bankruptcy by or against an Obligor, or commencement by or against an Obligor of any proceeding under any bankruptcy or insolvency law or any other law relating to the relief of debtors, readjustment of indebtedness, reorganization, receivership, composition or extension; (j) making or sending notice of any intended bulk transfer by an Obligor; (k) failure on the part of the undersigned or any of the Security to comply with Regulation U of the Federal Reserve Board or any comparable provision of law hereinafter enacted; (l) such a change in the condition or affairs (financial or otherwise) of an Obligor as in the opinion of the Bank impairs the Security or increases the Bank's risk with respect to the Liabilities; or (m) default (which shall be continuing) with respect to any indebtedness of an Obligor to any other individual or entity if such default would enable said individual or entity to accelerate the maturity of such indebtedness.

For the purposes of this agreement, the term "Obligor" shall include the undersigned and any maker, drawer, acceptor, endorser, guarantor, hypothecator, surety, accommodation party, or other party liable for any of the Liabilities in addition to the undersigned.

11. Notwithstanding the continued possession of the Security by the Bank, whether on its own behalf or on behalf of others, the undersigned shall remain liable for the payment in full of the Liabilities. The undersigned assumes all liability and responsibility for the Security, and the obligation of the undersigned to pay the Liabilities shall in no way be affected or diminished by reason of the fact that any of the Security may be lost, destroyed, stolen, damaged or for any other reason whatsoever unavailable to the undersigned or that the value of the Security shall be diminished. In the event of any partial or complete loss or destruction of any of the Security by any means, the undersigned shall, at its own expense, cause such repairs to be made as the Bank may deem appropriate for its protection or, at the option of the Bank, replace the Security with new Security having a value equal to the value of the lost or destroyed Security prior to such loss or destruction. The undersigned agrees, at its own expense, to keep all insurable Security insured against loss or damage by fire, theft or any other risk to which the Security may be subject (including without limitation such hazards as the Bank may specify), for the full insurable value thereof, under policies and with insurers acceptable to the Bank, which policies shall provide for all losses to be payable to the Bank and for at least 30 days prior notice to the Bank of any intended cancellation or modification of the policy. The undersigned will deliver to the Bank on request policies or certificates of such insurance with evidence of payment of the premium thereon. If the undersigned fails to maintain said insurance, then, in addition to any other right or remedy that the Bank may have and without waiving the consequences of such default, the Bank may but need not obtain and maintain said insurance, at the expense of the undersigned, which expense shall be deemed one of the Liabilities and shall be payable to the Bank on demand. The Bank is irrevocably authorized to file claims and shall have the sole right to adjust, settle and collect claims under said insurance by such means, at such times, on such terms and in the name of the Bank or the undersigned, as the Bank may see fit, and in the name and on behalf of the undersigned to execute releases and endorse checks or drafts payable in respect of any such insurance claims. All sums received by the Bank from any such insurance may be held as part of the Security and/or applied as hereinafter provided.

12. The Bank, at any time, at its option, may apply all of any net cash receipts from the Security (whether received on a sale of the Security in accordance with paragraph 9 hereof, on collection in accordance with paragraph 5 hereof, as proceeds of insurance in accordance with paragraph 11 hereof, or otherwise) to the payment, in whole or in part, of principal of and/or interest on any or all of the Liabilities, whether or not then due, allocating the same as it shall elect, making rebate of interest or discount to the extent required by law and so as not to make the rate of interest charged unlawful with respect to the undersigned. If any Liabilities shall be contingent, the Bank may retain a sufficient amount of the net cash receipts from the Security to cover the largest aggregate sum which may become due or owing thereunder with prospective interest, costs, expenses and attorneys' fees and shall not be charged with any interest with respect thereto.

13. Until the occurrence of an Event of Default or notice from the Bank terminating or limiting the right of the undersigned to do so, or, in the case of the collection, compromise, or adjustment of accounts receivable, until the Bank takes any action pursuant to paragraph (5) (e) hereof, the undersigned may sell or lease in the ordinary course of its regular business inventory constituting a part of the Security and may collect, compromise and adjust accounts receivable constituting a part of the Security, all on such terms as the undersigned may in good faith deem advisable in the ordinary course of its regular business, and may retain all sums so collected. Except as permitted by this paragraph 13, the undersigned may not sell, lease, assign or otherwise dispose of any of the Security without the prior written consent of the Bank. In addition, the undersigned may not sell, assign or otherwise dispose of any shares of stock or other securities now owned or hereafter acquired by the undersigned which are issued by the same issuer and are of the same class as any shares of stock or other securities constituting a part of the Security. The undersigned shall keep all of the Non-Possessory Security (as described in Schedule A hereto) at the undersigned's premises listed in Schedule A hereto and shall not remove any of the Non-Possessory Security therefrom without the Bank's prior written consent.

14. In any litigation or legal proceeding arising out of, or relating to, this agreement or any of the Liabilities or Security, in which the Bank and the undersigned shall be adverse parties, the undersigned waives the right to interpose any defense, set-off or counterclaim of any kind not directly arising herefrom or therefrom, as the case may be, and also waives the right to a trial by jury. In the event that the Bank brings any action or suit in any court of record of New York State or the Federal Government to enforce any or all of the Liabilities or any of the Bank's rights hereunder, service of process may be made upon the undersigned by mailing a copy of the summons to the undersigned at its chief executive office set forth in Schedule A hereto, and the undersigned hereby irrevocably submits to the jurisdiction of any New York State or Federal Court located in New York City over any action, suit or proceeding arising out of any dispute between the undersigned and the Bank.

15. In its sole discretion the Bank deems it desirable, it may remove any Security held by it from the place where it may now or hereafter be located to any other place and deal with it there as herein provided.

16. Upon the occurrence of an Event of Default, and at any time thereafter, the Bank shall have and may exercise, without further notice, a right of set-off and/or banker's lien against and in respect of any of the Security then or thereafter held by the Bank. Any right of set-off exercised by the Bank shall be deemed to have been exercised immediately on the occurrence of an Event of Default, even though such set-off is made or entered on the books of the Bank subsequent thereto.

17. If the time for payment of principal of or interest on any of the Liabilities or any other money payable hereunder or with respect to any of the Liabilities is extended because said sum becomes due on a Saturday, Sunday or public holiday, interest shall be payable for such extended time.

18. The Bank shall not be deemed to have modified or waived any of its rights hereunder or any terms or conditions hereof unless such modification or waiver is in writing and signed by a duly authorized officer of the Bank. No such modification or waiver, unless so expressly stated herein, shall be effective as to any transaction which occurs subsequent to the date of such modification or waiver nor shall it constitute a continuing modification or waiver. No delay on the part of the Bank in exercising any power or right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right hereunder preclude any other or further exercise thereof or the exercise of any other power or right. All rights and remedies of the Bank with respect to the Liabilities or Security, whether evidenced hereby or by any other instrument or paper, shall be cumulative and may be exercised singularly or concurrently.

19. The Bank may assign and/or transfer to any assignee or transferee of any of the Liabilities any or all of the Security and the Bank's rights hereunder with respect thereto, and thereafter the Bank shall be fully discharged from all responsibility with respect to the Security so assigned and/or transferred. Such assignee

of transfer shall be voided with all the powers and rights of the bank hereunder with respect to such Security and the bank shall retain all rights and powers hereby given with respect to any of the Security not so assigned or transferred. The undersigned will not assert against any assignee or transferee of any of the Liabilities any claims or defenses it may have against the Bank.

20. The undersigned hereby waives presentment, notice of dishonor and protest with respect to all instruments included in or evidencing the Liabilities or the Security and, except as specified herein, any and all other notices and demands whatsoever, whether or not relating to such instruments.

21. The undersigned will indemnify and save the Bank harmless from and against all loss or damage to it and any claims and actions, whether groundless or otherwise, arising in connection with this agreement, the Liabilities or the Security, and all costs and expenses (including attorneys' fees) incurred by the Bank in respect thereof.

22. If any term, condition or provision of this agreement or any other agreement or document executed in connection herewith or in connection with any of the Liabilities or Security is determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other term, condition or provision.

23. Any demand upon or notice to the undersigned that the Bank may elect to give shall be effective if deposited in the mails addressed to or otherwise delivered to the undersigned at its chief executive office or if the undersigned has notified the Bank in writing by registered mail of a change of address, at the last address of which the Bank has received notice. Demands or notices addressed or otherwise delivered to the address at which the Bank customarily communicates with the undersigned shall also be effective.

24. If any of the Security is or is to be attached to or installed or located on real estate, the undersigned will upon demand furnish the Bank with a disclaimer signed by all persons having an interest in said real estate of any interest prior to the Bank's interest in the Security.

25. From and after maturity (whether by acceleration or otherwise) of any of the Liabilities, any unpaid balance remaining shall bear interest at the higher of 12% per annum or 3% in excess of the rate specified in the instrument evidencing the Liability. Anything in this agreement or any other agreement, instrument or document to the contrary notwithstanding, in no event shall interest on any Liability exceed the maximum rate permitted under any applicable law or regulation, and if any provision of this agreement or any other agreement, instrument or document is in contravention of any such law or regulation, such provision shall be deemed amended to provide for interest at said maximum rate.

26. The undersigned, if more than one, shall be jointly and severally liable hereunder and all provisions hereof regarding the Liabilities or Security shall apply to any Liability or any Security of any or all of them. This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the undersigned and shall inure to the benefit of the Bank and its successors and assigns. For purposes of this agreement, the term "Bank" shall include the Bank and any and all subsidiaries of the Bank. If all Liabilities shall at any time be paid in full, this agreement shall nonetheless remain in full force and effect with respect to any Liabilities thereafter incurred. If the undersigned is a corporation, this agreement shall be binding upon any other corporation into or with which the undersigned shall be merged, consolidated, reorganized or absorbed, or which shall acquire the undersigned's business or substantially all of its assets. If the undersigned is a partnership, the members thereof shall also be individually bound and liable hereunder and this agreement shall continue in force notwithstanding any change in or termination of such partnership, whether such change occurs through death, retirement or otherwise. Except as otherwise provided herein, all terms used herein which are defined in the Uniform Commercial Code of the State of New York shall have the meanings therein stated. If this agreement shall differ in terms with any other agreement or obligation or the terms of any of the Liabilities, that which gives the Bank the greater right shall prevail.

27. If any of the Security is applied on account of any of the Liabilities, the undersigned shall not have any right of subrogation to the Bank's right in any other Security held by the Bank with respect to the Liabilities or any right of contribution from the Bank by reason thereof.

28. The Bank is authorized to correct patent errors herein. This agreement shall take effect immediately upon execution by the undersigned, and the execution hereof by the Bank shall not be required as a condition to the effectiveness of this agreement.

29. Notwithstanding anything to the contrary contained herein, the term "Security" as used herein shall be deemed to include any and all book-entry U.S. Treasury bills and other book-entry securities purchased on behalf of the undersigned and maintained in an account at the Bank, which may have a related account at a bank which is a member of the Federal Reserve System. The undersigned authorizes the Bank to serve as its bailee and agent with respect to the aforementioned book-entry Treasury bills and other book-entry securities and to take such action and to execute and deliver such documents on behalf of the undersigned as the Bank deems necessary or desirable in order to perfect the Bank's security interest therein. The undersigned hereby gives notice to the Bank, in the Bank's capacity as bailee and agent, of the Bank's security interest in the aforementioned book-entry Treasury bills and other book-entry securities.

30. This agreement shall be interpreted, and all the rights and obligations arising hereunder or from any document relating hereto shall be determined, in accordance with the laws of the State of New York.

SCHEDULE A

The term "Security" shall include:

- (1) All Possessory Security identified in paragraph (a) below.
- (2) Unless box (v) below is checked and initialed by the Bank and the undersigned, all Non-Possessory Security identified in paragraph (b) below wherever located and whether now owned or hereafter acquired, and
- (3) All substitutions for, all additions to (including without limitation all dividends and other distributions on and all rights, privileges and options relating to or declared or granted in connection with) and all proceeds and products of all the foregoing in any form whatsoever (including without limitation all proceeds of insurance thereon).

(a) Possessory Security shall mean the balance of every deposit account of the undersigned with the Bank or any of the Bank's nominees or agents and all other obligations of the Bank or any of its nominees or agents to the undersigned, whether now existing or hereafter arising, and all other personal property of the undersigned (including without limitation all money, accounts, general intangibles, goods, instruments, documents and chattel paper) which, or any evidence of which, are now or at any time in the future shall come into the possession or under the control of or be in transit to the Bank or any of its nominees or agents for any purpose, whether or not accepted for the purposes for which it was delivered.

(b) Non-Possessory Security. Unless one or more boxes below are checked and initialed by the Bank and the undersigned, Non-Possessory Security shall mean all personal property of the undersigned, including without limitation all accounts, general intangibles, goods, instruments, documents and chattel paper. ONLY IF THE NON-POSSESSORY SECURITY IS TO BE LIMITED, SHOULD ANY OF THE BOXES BELOW BE CHECKED AND INITIALED. If any of boxes (i) through (iv) below are checked and initialed by the Bank and the undersigned, the Non-Possessory Security shall be limited to whatever is checked. *SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF

BANK	UNDERSIGNED	DESCRIPTION
_____	_____	<input type="checkbox"/> (i) All Inventory and Documents
_____	_____	<input type="checkbox"/> (ii) All Accounts, Chattel Paper and Instruments, and all Goods returned to or repossessed or otherwise reacquired by the undersigned which relate to the foregoing
_____	_____	<input type="checkbox"/> (iii) All Equipment and Fixtures, including without limitation the equipment shown on the attached schedule (if any)
_____	_____	<input type="checkbox"/> (iv) All Property shown on any attached schedule
_____	_____	<input type="checkbox"/> (v) POSSESSORY SECURITY ONLY

The undersigned represents and warrants to the Bank that (a) the location of the undersigned's chief executive office is as set forth below, (b) except as set forth below, all of the Non-Possessory Security is located at the undersigned's chief executive office, and (c) each premises where any of the Non-Possessory Security is located is owned or leased by the undersigned.

Chief Executive Office—(street address; county; state; zip code):

741 Rockaway Parkway

Brooklyn, New York 11236

Other premises where Security is located—(street address; county; state; zip code):

Kingsway Place-Block 7932 Lots 176

Brooklyn, Kings County & 178

Kings County, Brooklyn, Block 7932

Lots 166, 169, 171, 174, 230

New York, New York

October 25 , 19 90

(Individuals sign below)

(Corporations or Partnerships sign below)

BROOKLYN RESOURCE RECOVERY, INC.

(Name of Corporation or Partnership)

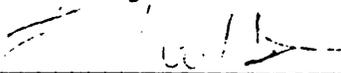
By: *Robert Rosselli*
Robert Rosselli, President (Title)

By: _____ (Title)

By: _____ (Title)

STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

On the 25th day of October, 1990, before me personally came Robert Rossell, to me known, who, being duly sworn, did depose and say that he resides at 2272 East 63rd Street, Brooklyn New York; that he is the President Of Brooklyn Resource Recovery Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the board of directors of said corporation.



Notary Public

LOUIS MOTTOLA
Notary Public, State of New York
No. 62-4846682
Qualified in Suffolk County
Commission Expires March 30, 1991

Rider to Security Agreement
made by Brooklyn Resource Recovery, Inc.
in favor of Bank Leumi Trust Company of New York

Dated: October 25, 1990

The term "Liabilities" shall include, but not be limited to, liabilities arising pursuant to that certain term note dated the date hereof in the principal amount of \$750,000.00 made by Brooklyn Resource Recovery, Inc. in favor of Bank Leumi Trust Company of New York and liabilities arising pursuant to unlimited guarantees of the liabilities of Gerardo Muro and Patricia Rosselli both dated the date hereof made by Brooklyn Resource Recovery, Inc., in favor of Bank Leumi Trust Company of New York.

The term "Security" shall include, but not be limited to all present and future personal property, wherever located, including without limitation all accounts, general intangibles, goods, instruments, documents and chattel paper (as those terms are defined under the Uniform Commercial Code). All books and records pertaining to the foregoing.

All present and future inventory and documents (as those terms are defined under the Uniform Commercial Code), wherever located. All books and records pertaining to the foregoing.

All present and future accounts, chattel paper and instruments (as those terms are defined under the Uniform Commercial Code) and all present and future goods (as defined under the Uniform Commercial Code) returned to or repossessed or otherwise reacquired by Debtor which relate to the foregoing, wherever located. All books and records pertaining to the foregoing.

All present and future equipment (as defined in the Uniform Commercial Code) and fixtures, wherever located (including without limitation the equipment hereinafter listed. All books and records pertaining to the foregoing.

Two Rebuilt ELECTRO-MOTIVE, Division of General Motors Corp., Model EMD-20-645-E3 Turbo charged diesel engines rated 3400 HP continuous each at 900 HP. Serial Numbers are 76-G3-1529 and 73-A1-1012.

Two New AIRFLEX Eaton Corp., Model 32VC-1000 Clutches, Part #142673 HP with size BC5610-10-5 Geislinger Couplings for mounting directly to the flywheel of an EMD-20-645-E3 Engine, Serial Numbers: 76-G3-1529 and 73-A1-1012.

Four New MODINE, Model X1260-23 NTW Shell & Tube Heat Exchangers (2 per engine) for cooling the engine jacket water.

Two New York Critical Silencing Mufflers Model Y4-22, 22m diameter inlet and outlet.

Item #1 - NEWELL INFEED CONVEYOR

The Newell Industries, Inc. Infeed Conveyor is a valuable asset to any operation that is doing high volume production at its shredder. The Infeed Conveyor offers the following advantages:

- 1) It permits continuous feeding of material to the shredder;
- 2) It allows for loading of shreddable scrap (flat bodies, unflattened bodies, white goods, tin, etc.) with equal ability;
- 3) It allows mixing of feed materials with multiple loading points (example: while a crane loads bodies, a front end loader can be loading white goods);
- 4) It requires only minimal amounts of maintenance.

The Infeed Conveyor is a very strong structure designed to withstand the severe duty of a scrap processing facility. It is fabricated of plate girder construction similar to a bridge, making it extremely strong for the weight involved. To withstand the work load the conveyor belt is made up of triple grouser flights, chain and rollers selected from Caterpillar D-4 type units. The flights are joined by the chain and in turn supported by the rollers and by a center rail along the full length of the conveyor. The rollers are properly spaced to provide maximum strength.

The Infeed Conveyor comes with all of the steel support structure required and a complete drive unit. The standard drive is an electric motor and gearbox with chain drive to a 9 inch (228 mm) diameter head shaft which is supported with oversize bearings.

The Newell Industries, Inc., Infeed Conveyor can be supplied in various lengths and configurations to match the shredder application. A typical model, as listed, consists of a conveyor 8 feet (2.4 m) wide by 152 feet long at an incline of 16 degrees to reach a height of 27 feet (8.2 m). This unit includes an below ground horizontal loading section 30 feet in length.

Technical Data

Overall Length	: 152 ft.
Overall width	: 10 ft. (3 m)
Working width	: 8 ft. (2.4 m)
Drive motor size	: 25 hp (18.7 kw)
Conveyor Speed	: 30 ft./min. (9.1 m/min.)

Extent of Supply

One Infeed Conveyor complete with support structure and drive.

Item #2 - FEEDING DEVICE

In order to achieve the optimum performance of the shredder, the drive motor should be operated close to its full load design point. This is achieved by the operation of the two feed rollers (Double Feed Roll, DFR) mounted above the feeding device which introduces the scrap into the shredder.

Scrap material is loaded into the shredder with the feeding device. The feeding device consists of a fixed ramp and the DFR. The scrap is fed up onto the ramp by the infeed conveyor under the shredder operator's control, the scrap material then slides down the ramp and into the feed rolls where it is compressed to a thickness that allows the material to enter the shredder. The rotation of the feed rolls is controlled by the shredder operator so that the electrical power absorbed by the main shredder drive motor is maintained as close as possible to its design point.

The feed rolls are raised and lowered by hydraulic cylinders which are under the control of the shredder operator. When the double feed roll is in the down position there is 2-1/2 inches (63.5 mm) of clearance from the feed ramp. Likewise when the DFR is in the full stroke position there is 44 inches (1118 mm) of clearance from the feed ramp.

The weight of the feed roll assembly is normally adequate to compress light material to the required thickness without operator intervention. However, for heavier material such as engine blocks, white goods, etc., the feed rolls may be raised to allow material to enter under the first, upper roller and then lowered to compress the material. The lower feed roll then controls the rate at which material is fed into the shredder.

The feed ramp floor is constructed of 2 inch (50 mm) plate and is 26.25 feet (8 m) in length set at a feed angle of 40 degrees. The side walls to the ramp are 48 inches (1219 mm) high. The complete assembly is suitably supported to withstand the heavy loadings imposed during normal loading operations.

The two feed rolls are 2 inches (50 mm) thick and 36 inches (900 mm) in diameter with eight axial bars fitted at intervals around the circumference to grip the scrap material. The feed rolls are designed to provide maximum strength consistent with the ability to remove and/or replace the shaft. Each feed roll is attached to the feed roll shaft by conical locking sleeves at each end which allows for the replacement of the shaft or roll.

The feed rolls are mounted in a fabricated yoke which is pivoted on pins positioned under the feed ramp. The feed rolls are rotated by two 30 hp (22.5 kw) TEFC motors and gearbox units mounted above the rolls on the feed yoke assembly. A shield is mounted above the motors to protect the units from scrap material falling on them.

The hydraulic power pack for the operation of all hydraulic services is provided and by preference is located in the motor room. In some installations it is necessary to locate the hydraulic system under the feed ramp. The main hydraulic pump, operating at 2000 psi (135 bar) and rated at 100 hp (74.6 kw), supplies the service for operation of the feed rolls and the reject door. The shredder tilt and the hammer pin puller are used during maintenance and operate from a 2800 psi (193 bar) system. The latter service is operated from a control box located on a 50 foot long electric control cord.

Technical Data on following page.

Technical Data

Length of Feed Ramp	:	26.25 ft. (8 m)
Width of Feed Ramp	:	9 ft. (2.75 m)
Height of side wall	:	48 in. (1219 mm)
Feed Roll Diameter	:	36 in. (900 mm)
Feed Roll Drive Motors	:	Two 30 hp (22.5 kw) each
Maximum Opening Under Feed Rolls	:	44 in. (1118 mm)
Hydraulic Unit		
Normal Operating Pressure	:	2000 psi (135 bar)
Pump Drive Motor	:	100 hp (74.6 kw)
Maintenance Operating Pressure	:	2800 psi (193 bar)

Extent of Supply

Feed Ramp with support framework
Double feed rolls mounted in yoke assembly
Hydraulic power pack with all associated pipe work, valves, filters, cylinders, etc.

Item #3 - NEWELL 98104 SUPER HEAVY DUTY SHREDDER

The Newell Super Heavy Duty Shredder is a horizontal shaft, swing hammer machine with side feed of our own exclusive patented design. This design was developed to provide reliable operation and ease of maintenance at the lowest possible processing cost per ton of scrap produced.

The shredder is manufactured from high specification materials throughout and incorporates wearing items - hammers, grates, liners, etc. - that are manufactured in work hardening, high manganese content steel alloys which are produced in the Newell foundry under close quality control.

The shredder is sized to accept scrap material up to a width of 104 inches (2600 mm). This insures that it can process complete cars in "as received" or flattened condition without problems associated with jamming in the feed chute or at the entry point to the shredder, which can be experienced with machines of smaller width.

The shredder housing sides and front wall are fabricated from 4 inch (100 mm) thick plate and are suitably stiffened and reinforced to withstand the arduous duty.

The interior of the shredder housing is lined with replaceable manganese steel liners that are a minimum of 4 inches (100 mm) thick. On the sides, the liners are 6 1/4 inches (159 mm) thick to cover the end discs of the rotor. Next to the end discs of the rotor, the side of the shredder is protected by a 1/2 inch (12.7 mm) abrasion resistant plate plug welded into place.

The base of the shredder housing is fitted with the main anvil assembly and replaceable grate sections that are sized to provide the required final product density.

In the top half of the shredder is a second grate section referred to as the top grate. The top grate is located directly over the hollow area above the rotor. This area is called the gathering box. The front wall of the gathering box is protected by a special one piece liner plate that covers the entire width of the shredder. This large liner is held in place by special oversized bolts of 1.5 inches (38 mm) diameter.

The top and bottom grate areas insure that as soon as material is reduced to the required size, it is discharged through one of the grates and is not subjected to further impacts by the hammers thereby absorbing energy unnecessarily. Material that is not small enough to pass through the bottom grates, passes into the upper section where it continues to receive further impacts until sufficiently reduced in size to pass through either the top or bottom grate.

The rotor assembly consists of eleven steel discs that are 4 inches thick mounted on an alloy steel shaft 20 inches (508 mm) in diameter. The discs are separated from each other by cast steel spacers and the complete assembly is through bolted to give considerably increased resistance to bending. The rotor shaft is supported by oil lubricated 14 inch (380 mm) diameter spherical roller bearing assemblies mounted in cast steel housings of Newell's manufacture. Bearing temperature sensors are included.

The discs carry six rows of free swinging hammers, which have a maximum operating diameter of 98 inches (2490 mm), and that rotate on the six 5 7/8 inch (150 mm) mounting pins. The number of hammers on a rotor may be varied to suit a customers needs but the standard arrangement is set up with 10 hammers. The hammers are of cast manganese steel heat treated to give long life.

Each disc is protected by pin protectors which are mounted on the pin shafts and which extend beyond the edge of the disc. The discs themselves are further protected by welding around the circumference with an abrasion resistant material.

Particular attention is paid in the design of the shredder for it to withstand unshreddable material which may be inadvertently fed into the shredder. An unshreddable item that passes around the rotor can be discharged from the shredder through the reject door located in the rear wall of the shredder. The reject door is 36 inches (914 mm) in height and is hydraulically actuated in less than one second after initiation by the operator. The design and the quick actuation time minimize the possible damage that may result from introducing unshreddable objects into the machine.

The upper section and deflector hood of the shredder is pivoted at the rear and may be opened hydraulically to permit access for routine maintenance and inspection. The same hydraulic rams that are used for lifting the upper shredder section are also used to hydraulically clamp the upper section to the lower section during normal operation.

For damp/wet shredding installations, provision is made for injection of water into the shredder housing for dust suppression and reduction of explosions caused by hydro-carbon gas. This is accomplished by a 4 inch (100 mm) pipe located across the top of the shredder entrance.

Technical Data - Newell 98104 Super Heavy Duty Shredder

Hammer Circle Diameter	:	98 in. (2490 mm)
Width of Feed Opening	:	104 in. (2600 mm)
Rotor Speed	:	600 RPM
Rotor Shaft Diameter	:	20 in. (508 mm)
Diameter of Shaft at Bearing Journals	:	14 in. (355.6 mm)
Number of Discs	:	11 each
Number of Hammers	:	10 each
Number of Pin Protectors	:	50 each
System Hydraulic Pressure:	:	2000 lb. per/sq.in. (135 bar)
Replaceable Wear Parts	:	Cast Steel 12-14 percent manganese
Main Shredder Housing	:	4 in. (100 mm) Plate
Approximate Total weight with feed device	:	245 tons

Extent of Supply

One Complete Newell 98104 Super Heavy Duty shredder

Item #3a-Anti-Vibration Springs and Damper System

The primary purpose of the spring/damper unit is to isolate the foundations and local buildings etc. from out of balance and shock loads etc. generated by the shredder. In practice, it is only possible to achieve 70-75% isolation because of mechanical constraints. In practice, the stability of the spring unit system limits the deflection allowable to about 12-14 mm. While ideally, larger deflections should be used, the mechanical movement that occurs, particularly on startup and shut down -(as the rotor frequency passes through the fundamental frequency), does not allow greater deflections to be incorporated. Thus the springs provide the isolation at normal operating rotor speeds.

The dampers provide a mechanism for limiting deflection during large deflections that occur during start up and shut down as rotor speed passes through the fundamental or critical spring mass frequency.

Each unit consists of a combination of springs and damper components which are designed to provide optimum isolation at the normal operating speeds. The damper portion of this unit limits the deflections close to the fundamental frequencies.

We know from practical experience that our units are more space saving and more reliable than our competitors. For shredder applications only a 12 inch gap under the shredder is required.

The anti-vibration springs and damper system isolate the foundation from most vibrations produced at shredder due to the shredding process. This will minimize the vibrations that are transferred to the surrounding area. When the shredder is mounted on the anti-vibration system, it is tied to the feeding device by a "dog bone" type of connection.

Technical Data

Number of Spring/Damper units : 4

Scope of Supply

One complete anti-vibration system for isolating the shredder from the foundation mounting.

Item #3b - HYDRAULIC PIN PULLER WITH PLATFORM

This is a specially designed hydraulic mechanism to facilitate installation and removal of the hammers and hammer pins. The pin puller is provided with convenient walkways and working platform areas.

Technical Data

One 8 inch (200 mm) bore hydraulic cylinder adapter
Adapter to attach unit to hammer pins

Extent of Supply

One pin puller assembly including support frame, hydraulic cylinder, and mounting attachment, walkways and working areas.

Item #4 - MAIN DRIVE MOTOR

The main drive motor is directly coupled to the shredder by a drive shaft with constant velocity couplings at each end. The main drive system for the shredder consists of a three phase slip ring motor, a liquid rheostat, an automatic control unit, and a high voltage switch cabinet. This system features a built in electrical device for limiting the current peaks on the electric supply during start up and high demand loads. The complete motor system is designed to withstand shock loads and current peaks up to 200% of rated motor load.

The motor is a three phase wound rotor induction motor with a specially built housing designed to withstand the requirements of a shredding operation. It is rated at 4000 hp (2980 kw) at 600 RPM and is designed to operate on 2300/4160 or 6000 volts. The motor is supplied with:

- a.) Winding protection temperature indicators.
- b.) Bearing protection temperature indicators.
- c.) Anti-condensation heater.
- d.) Enclosure with protection to normal standards.

Included in the motor system is a liquid rheostat for constant current start up and automatic slip regulation to limit inrush of current during peak load conditions. This unit is a steel tank with all necessary components mounted in or on the tank.

Also included with this system is an automatic control unit that is mounted in the operator's control room. This unit includes the temperature monitoring system and alarms. It is equipped with an hour meter and controls for the motor system.

The motor is started by means of a high voltage cabinet that includes the main breakers and on/off controls for the motor. This cabinet also contains the ammeter and voltage meter for the motor.

With the wound rotor slip ring induction motor it is unnecessary to use a hydraulic coupling between the motor and the shredder. Full control of starting current is provided by the starting system. This considerably simplifies the motor installation and gives improved reliability and overload capability.

Technical Data

Wound rotor motor, slip ring induction type.

Rated Output	:	4000 hp (2980 kw)
Voltage	:	2300, 4160, or 6000 V as required
Supply Frequency	:	50 or 60 Hz, as required
Operating Speed	:	600 RPM

Extent of Supply

Wound rotor induction motor
Liquid rheostat starter
High voltage switch cabinet
Automatic temperature monitoring and control equipment panel
Spare fuses

Item #5 - DRIVE SHAFT

This drive shaft is specifically designed to handle the shock loads and high torque required during the shredding operation. It is a flange mounted unit with constant velocity universal joints at each end and a splined slip joint mounted in a tubular construction assembly. It is designed to operate at a length of 8 feet (2.4 m). This type drive has been used by Newell for many years with great success. Also included with this drive shaft are the couplings for the rotor and motor shafts. These are specifically designed to accept this drive shaft and transmit the torque from the motor to the rotor.

Technical Data

Operating Length	:	8 ft. (2.4 m)
Spline Length	:	6 in. (150 mm)
Mounting Flange Diameter	:	17.13 in. (435 mm)

Extent of Supply

One GWB Model 292.8 double universal joint drive shaft complete with couplings for rotor and motor connection

Item #6 - UNDERSHREDDER OSCILLATING CONVEYOR

Shredded scrap discharged from the shredder is carried onto the shredded Product Elevating Conveyor by the undershredder oscillating conveyor.

The conveyor is designed and manufactured by Newell specifically for this application. It is very robust to resist the over pressure from explosions occurring in the shredder and is fitted with replaceable wear plates of abrasion resistant steel. It is powered by a 20 hp (15 kw) electric motor. The eccentric drive unit is made of oversize components including a 4 inch (100 mm) diameter eccentric shaft, cast steel bearing housings, and a bearing mounted shaft to transfer the stroke to the pan. The pan will be mounted on, and supported by, steel springs and steel rocker arm connecting links. The rocker arm connecting links will be pinned to the pan and the base by 3 inch (75 mm) steel shafts.

Technical Data

Overall Pan Length	:	16 ft. 6 in. (5 m)
Inside Pan Width	:	72 in. (1829 mm)
Drive Motor	:	20 hp (15 kw)

Extent of Supply

Oscillator conveyor with replaceable wear plates
Spring mounting units
One - 20 hp (15 kw) electric motor
Supporting structure

DOWNSTREAM EQUIPMENT

Item #7 - SHREDDED PRODUCT ELEVATING CONVEYOR

The fragmentized scrap is transferred from the undershredder oscillator to the magnetic separation unit by a troughed rubber belt conveyor. The Horizontal section of this conveyor is equipped with eccentric idlers to help free the ferrous material from the non-ferrous material and trash before magnetic separation.

The conveyor is provided with a maintenance walkway along its full length.

Technical Data

Overall Length	:	61 ft.
Belt Width	:	72 in. (1828 mm)
Speed of Belt	:	300 fpm (1.54 m/sec)
Troughing Angle	:	35 degrees troughing
Drive Motor	:	20 hp
Walkway Width	:	24 in. (600 mm)

Extent of Supply

Conveyor complete with geared motor drive unit
Feed hopper
Maintenance walkway
Supporting structure

Item #8 - MAGNETIC SEPARATION SYSTEM

The fragmented scrap is discharged from the Shredded Product Elevating Conveyor directly to the first magnetic drum separator. Ferrous material is lifted from the shredded product stream and carried over the two magnetic drums and discharged onto the picking conveyor.

The shredded scrap is transferred from the first magnetic drum to the second magnetic drum by a steel pan vibrating conveyor. The vibrating conveyor is 84 inches (2134 mm) wide by 96 inches (2440 mm) long. It is powered by a self contained 5 hp (3.7 kw) vibrating motor unit and is spring mounted. The motion of the vibrator helps to move the material toward the magnet in discrete particles in order to enhance the effectiveness of the magnetic separation.

The ferrous material is washed as it passes over the magnets by a 4 inch (100 mm) spray nozzle located above each magnet. This washing assists in the removal of dirt and waste that may be passed over the magnets along with the ferrous material. Each spray nozzle is connected by a 4 inch (100 mm) piping to a pump that is dedicated to that water line only. This ensures a minimum of problems from material sticking in the water line and causing blockages.

The magnetic assemblies are fabricated from high permeability steel and designed to form a low loss magnetic circuit of very high efficiency.

The magnet coils are wound with high purity aluminum wire, fully insulated with "Nomex", impregnated with high temperature epoxy resin, and are designed to have a very low temperature coefficient. The coils are securely fastened to the magnet cores which are provided with specially designed pole caps.

Each magnet assembly will provide a flux density of 750 gauss 7 inches (175 mm) from the drum face, at the point of separation, followed by a lower strength holding field extending through 180 degrees of drum surface.

Radial adjustment of 15 degrees of the magnet assembly is provided by means of a turnbuckle operating on a removable lever bolted to the central shaft of the magnet assembly. The assembly is locked in position by a twin cone taper lock system which allows complete flexibility of adjustment.

The manganese steel drum cover is fitted with eight throw off bars, each 2 inches (50 mm) high. Each drum is driven by a 10 hp (7.5 kw) motor gearbox combination with chain drive.

Each transformer is double wound and continuously rated. Rectifiers are silicon diode, full wave, bridge connected with surge suppressors and high speed fuses fitted as standard. Floor mounted tanks are constructed from heavy gauge mild steel with glad plates for incoming and outgoing cables, oil level indicator, and drain plug.

All material not picked up by the magnets falls to a sluice and is washed into the Water Current Separator

Technical Data on the following page.

Technical Data

Magnetic Drum Separators	:	Unimag 4884
Diameter	:	48 in. (1219 mm)
Effective Face Width	:	84 in. (2134 mm)
Rotational Speed	:	20 RPM
Magnet Power	:	7.5 kw
Drive Motor Power	:	10 hp (7.4 kw) each
Transformer/rectifier power	:	8.0 kw each
Steel pan vibrating conveyor	:	
Overall width	:	84 inches (2134 mm)
Overall length	:	96 inches (2440 mm) long
Vibrator drive motor	:	5 hp (3.7 kw)

Extent of Supply

Unimag 4884 Magnets (2 each)
Transformer/Rectifier units
Drive motor and gearbox units, chains, and chain guards
Steel pan vibrating conveyor
Support structure
Discharge chute work
Maintenance walkway
Water piping and nozzles

Item #9 - FERROUS PICKING CONVEYOR

The Ferrous Picking Conveyor moves material from the magnets to the ferrous stacking conveyor. It also serves as a picking station if the operator is picking a special grade. This conveyor is 48 inches (1219 mm) wide by 53 feet (17.4 m) long and is powered by a 10 hp (7.5 kw) motor.

Technical Data

Overall Length	:	38 ft.
Belt Width	:	48 inches (1219 mm)
Troughing Angle	:	20 degree unequal length (Picker Configuration)
Drive Motor	:	10 hp (7.5 kw)
Walk Way Width	:	36 in. (600 mm)

Extent of Supply

One rubber belt conveyor complete with drive, support structure, and catwalk.

Item #10 - FERROUS STACKING CONVEYOR

Ferrous product is discharged from the picking conveyor to the stacking conveyor for transfer to the stockpile or onto transport vehicles. The conveyor is of the standard troughed belt configuration which may be traversed through 180 degrees to maximize use of available storage space. The conveyor is supported at the feed end on a fixed slew bearing and at the discharge end by a chassis fitted with solid rubber tired wheels and powered by a motor gearbox unit.

Technical Data

Overall Length	:	65 ft. (24 m)
Belt Width	:	48 in. (1219 mm)
Belt Trough Angle	:	35 degrees
Belt Drive Power	:	10 hp (7.5 kw)
Slew Angle	:	180 degrees
Slew Drive Motor Power	:	2 hp (1.5 kw)

Extent of Supply

Standard configuration troughed conveyor with geared motor drive unit and feed hopper
Support slew bearing assembly at feed end
Support chassis and drive for slewing
Walkway full length of one side

Item #11 - WATER CURRENT SEPARATOR

The Water Current Separator (WCS) is a steel tank structure with an internal conveyor. The tank is made up of two compartments: one compartment contains a strong up-flow of water that separates the non-ferrous metals fraction from the waste. This is accomplished by feeding all the material from the under magnet sluice to the up-flow portion of the WCS. The non-ferrous metals portion of the material is heavy and sinks through the up-flow of water, but the waste is light enough to be washed over the side of the unit onto a de-watering screen and then is conveyed to the waste storage bunker. The non-ferrous metals portion that sinks is collected on a conveyor that runs under water and is conveyed from the first compartment of the WCS to the second and out to another conveyor that transfers the non-ferrous metals to a stockpile area. The WCS has proven to beneficiate the non-ferrous metals to a 40 to 60% metallic content based on a normal mixture of infeed material.

Technical Data

Overall Length	:	20 ft. (6.1 m)
Overall Width	:	36 inches (900 mm)
Internal Conveyor Length	:	25 ft. (7.6 m)
Internal Conveyor Width	:	36 inch (900 mm)
Belt Trough Angle	:	20 degrees
Conveyor Drive Motor Size	:	5 hp (3.7 kw)

Extent of Supply

Water column structure complete with internal conveyor, drives, and catwalk along one side.

Item #12 - NON-FERROUS PICKING/STOCKPILE CONVEYOR

This conveyor is 30 inches (762 mm) wide by 48 feet (14.6 m) long and carries the non-ferrous metals from the water column conveyor to the stockpile area. It is powered by a 5 hp (3.7 kw) motor gearbox combination with the necessary belts and sheaves.

Technical Data

Overall Length	:	48 ft. (14.6 m)
Overall Width	:	30 in. (762 mm)
Belt Trough Angle	:	20 degrees
Conveyor Drive Size	:	5 hp (3.7 kw)

Extent of Supply

One troughed belt stockpile conveyor complete with drive, supports, and walkway along one side.

Item #13 - TRAMP FERROUS RECOVERY SYSTEMS

The non-ferrous material from the WCS and the waste material that has passed over the WCS each contain a small percentage of ferrous material that is not recovered by the main magnetic separation system. If even small percentages of ferrous material are lost, the total value can be significant. Therefore, it is important to make this recovery. To make this recovery Tramp Ferrous Recovery systems will be provided for the non-ferrous material stacking conveyor and the waste material stacking conveyor. The equipment provided will consist of a conveyor with an electromagnetic head pulley positioned over each of the above 3 conveyors. These magnetic head pulleys will pick up tramp ferrous material and return it to the steel scrap conveyor line for reprocessing.

Technical Data

Number of Conveyors	:	2 each
Overall length	:	55 ft. (16.8 m)
Belt width	:	36 in. (900 mm)
Belt trough angle	:	20 degrees
Drive motor	:	5 hp (3.7 kw)
Magnet	:	2436 Drum Pulley
Rectifier	:	5 kw

Extent of Supply

Two (2) complete tramp steel recovery systems consisting of a head pulley magnet complete with belt, pulleys, drive, support structure, and rectifier.

Item #14 - DE-WATERING SCREEN

After the waste material is washed over the side of the water column, it is de-watered on a screen to remove the majority of the excess water before being stockpiled. The water is collected in the self leaning tank and is recycled. This conveyor is 48 inches (1200 mm) wide by 20 ft. (6.1 m) long and is powered by a 10 hp (7.5 kw) motor. This oscillating conveyor uses a special, blinding resistant, shakey bar screen deck to de-water the waste material.

Technical Data

Overall Length	:	20 ft. (6.1 m)
Overall Width	:	48 in. (1200 mm)
Drive Size	:	10 hp (7.5 kw)

Extent of Supply

Oscillating de-watering screen complete with drive, support structure, and walkway along one side.

Item #15 - WASTE STOCKPILE CONVEYOR

This conveyor is 36 inches (900 mm) wide by 73 feet (22.3 m) long and carries the waste from the de-watering screen to the stockpile area. It is powered by a 5 hp (3.7 kw) motor gearbox unit with the necessary belts and sheaves.

Technical Data

Overall Length	:	73 ft. (22.3 m)
Overall Width	:	36 in. (900 mm)
Belt Trough Angle	:	20 degrees
Conveyor Drive Size	:	5 hp (3.7 kw)

Extent of Supply

One troughed belt stockpile conveyor complete with drive, supports, and walkway along one side.

Item #16 - SELF CLEANING TANK

The water used to wash the ferrous material at the magnet and to separate the trash from the non-ferrous at the water column is collected and re-circulated from the self cleaning tank. This steel tank is 8 feet (2.5 m) wide by 10 feet (3 m) deep and 60 feet (18.3 m) long.

Incorporated in this tank is a drag type conveyor to clean the sediment from the bottom of the tank on a continuing basis. This conveyor is 8 feet (2.5 m) wide by 60 feet (18.3 m) long and is powered by a 2 hp (1.5 kw) motor gearbox combination. Also included is a floater scraper conveyor to remove the floating particles from the top of the water. This floater conveyor is 8 feet (2.5 m) wide by 40 feet (12 m) long and is powered by a 2 hp (1.5 kw) motor gearbox combination.

This tank is designed with four (4) clear water sump areas where pumps pick up clean water for circulation to the water column and magnet sprays. These pumps are designed to handle the dirty water, and possible solids that may be re-circulated, without jamming. The pump for the Water Column is a Gorman-Rupp, 10 inch Trash Pump rated at 2,200 GPM with a 60 hp (44.7 kw) drive. The two (2) pumps for the spray on the magnets are Gorman-Rupp, 4 inch Trash Pumps rated at 500 GPM with a 40 hp (29.8 kw) drive. The pump to supply water to the shredder is a 4 inch Trash Pump rated at 200 - 300 GPM, depending on shredding rate, with a 20 hp (15 kw) drive.

All water is re-circulated and the only water loss is due to evaporation to the air and absorption by the trash and dirt. Experience has shown that approximately 10-15 gallons of water are lost per ton of shredded ferrous produced. This will vary according to the type and quantity of material being shredded and local weather conditions.

Technical data on following page.

Technical Data

Overall Length	:	60 ft. (18.3 m)
Overall Width	:	8 ft. (2.5 m)
Overall Depth	:	10 Feet (3 m)
Tank Capacity	:	(4800 cu ft)
Water Column Pump Type	:	Gorman-Rupp, 10 inch
Pump Drive	:	60 hp (44.7 kw)
Magnet Sprays Pump Type	:	Gorman-Rupp, 4 inch
Pump Drive	:	40 hp (29.8 kw)
Shredder Spray Pump Type	:	Gorman-Rupp, 4 inch
Pump Drive	:	20 hp (15 kw)
Drag Chain Drive	:	2 hp (1.5 kw)
Floater Scraper Drive	:	2 hp (1.5 kw)

Extent of Supply

Self Cleaning Tank
Four (4) Clear Water Sumps
One 10 Inch Pump
Three (3) Four Inch Pumps
Two Drag Chain Conveyors Complete with Drives

Item #17 - SEDIMENT CONVEYOR

This conveyor is located after the self cleaning tank and conveys the sediment from the drag chain conveyor to the sediment stockpile area. This sediment is then hauled away with the waste by the operator. This is a rubber belt conveyor 36 inches (900 mm) wide by 63 feet (19.2 m) long and is powered by a 5 hp (3.7 kw) motor gearbox unit.

Technical Data

Overall Length	:	63 ft. (19.2 m)
Overall Belt Width	:	36 inches (900 mm)
Belt Trough Angle	:	20 degrees
Drive Motor Size	:	5 hp (3.7 kw)

Extent of Supply

One Conveyor complete with drive, supports, and catwalk along side.

Item #18 - MOTOR CONTROL CENTER AND OPERATOR'S CONTROL PANEL

The Motor Control Center is a pre-wired system to allow for starting and controlling all auxiliary motors for the separation system. This motor control center is manufactured by one of several reputable suppliers of this type equipment (Allen-Bradley, Square D, Cutler-Hammer, etc.). It is manufactured to United State standards. Any special requirements for local authorities may influence the quoted price.

Technical Data

NEMA Standard Cabinet
1200 amp Main Breaker
Lock Outs on each starter
Stop/Start Buttons at each starter
All starters below 50 hp (37 kw) are DOL, above 50 hp (37 kw) are reduced voltage type.

Extent of Supply

One self-contained pre-wired unit.

The Operator's Control Panel is a pre-wired unit to be located in the operator's area and contains start/stop buttons for all auxiliary motors plus the controls for operation of the reject door and the double feed roll.

Technical Data

Start/Stop buttons with indicator light for each motor.
Ammeters for the double feed roll drive motors.
Joy stick controls for the reject door, tilt table, and double feed roll.

Extent of Supply

A pre-wired panel to let the operator control the shredder system.

One used CATERPILLAR Model D379 Electric Set rated 400 KW, 3ph, 60 HZ complete with generator, electric starting safety shutoffs, cooling system and exhaust silencing.

One Generator Control Panel including Ammeter, Voltmeter, AM/VM Switch, Frequency Meter, and Circuit Breaker (3 pole molded case), alarm lights for safety shutoff and alarm horn.

One KATO 600-683361121, 600 KW AC Generator, S/N-85655-1

One CAT D398PC 912 HP (0 1200 RPM) T.C. Diesel Engine

One O&M 8671-ESV-56 Radiator, S/N-130062

One 10'W X 32'L Top Covered Generator Skid

Two Eaton 32VC Cl.Appl.

Two ESH-2-240 Horizontal Remote Round Fin Tube Complete with Core & Fan Guards

One Gerhardt's Inc. Meter-Flow Bearing Lube Set. RTP-RAA POC-MOA-SOA-FOF-HLA-CMO, 40 Cu. in/Min. w/15 Gal. Reservoir and 1/2 HP, 115V Pump

One MX-3 (150T, 75T, 75T) Manifold with Cycle Indicator

The term "Event of Default" shall include, but not be limited to events of default under: (i) that certain term note made by Brooklyn Resource Recovery, Inc. in favor of the Bank; (ii) those certain term notes made by Patricia Rosselli and Gerardo Muro, both dated the date hereof, in favor of the Bank; (iii) a certain mortgage dated the date hereof made by Patricia Rosselli in favor of the Bank; (iv) that certain commercial pledge and assignment of bank deposits/accounts made by Gerardo Muro dated the date hereof in favor of the Bank; (v) collateral assignments of life insurance policies on the lives of Allen Morris, Gerardo Muro and Robert Rosselli; and (vi) any documents given as collateral security for the repayment of said promissory notes and/or given as collateral security by any guarantors of the indebtedness evidenced by said promissory notes.

BROOKLYN RESOURCE RECOVERY, INC.

By: Robert Rosselli



FLOATING RATE PROMISSORY NOTE

Exhibit B

NEW YORK, N.Y.

July 1

19 93

\$280,000.00

September 1, 1993

AFTER DATE

we

PROMISE TO PAY

TO THE ORDER OF

BANK LEUMI TRUST COMPANY OF NEW YORK ("PAYEE")

TWO HUNDRED EIGHTY THOUSAND AND 00/100

DOLLARS

AT BANK LEUMI TRUST COMPANY OF NEW YORK
A SUBSIDIARY OF BANK LEUMI LE ISRAEL, B.M. TEL AVIV

1321 Kings Highway, Brooklyn, N.Y. 11229

(Branch Address)

with interest at a rate per annum which shall be equal to 2 1/2 per annum above the rate of interest designated by the payee, and in effect from time to time, as its "Reference Rate", adjusted when said Reference Rate changes. (The maker acknowledges that the Reference Rate may not necessarily represent the lowest rate of interest charged by the payee to customers.)

Interest shall be computed on the basis of a 360-day year and shall be payable at the end of each month and at maturity, but the foregoing provision shall not be deemed to change the maturity of this note if payable on demand. The charging of interest on the basis of a 360-day year results in the payment of more interest than would be required if interest were charged on the basis of the actual number of days in the year. In no event shall interest exceed the maximum legal rate permitted for the maker.

Each maker or endorser authorizes (but shall not require) the payee to debit any account maintained by the maker or endorser with the payee, at any date on which the payment of principal or interest on any of the Liabilities (as hereinafter defined) is due, in an amount equal to any unpaid portion of such payment. If the time for payment of principal or interest on any of the Liabilities or any other money payable hereunder or with respect to any of the Liabilities becomes due on a day on which the payee's offices are closed (as required or permitted by law or otherwise), such payment shall be made on the next succeeding business day, and such extension shall be included in computing interest in connection with such payment. All payments by any maker or endorser of this note on account of principal, interest or fees hereunder shall be made in lawful money of the United States of America, in immediately available funds.

All Property (as hereinafter defined) held by the payee hereof shall be subject to a security interest in favor of the payee or holder hereof as security for any and all Liabilities. The term "Property" shall mean the balance of every deposit account of the maker with the payee or any of the payee's nominees or agents and all other obligations of the payee or any of its nominees or agents to the maker, whether now existing or hereafter arising, and all other personal property of the maker (including without limitation all money, accounts, general intangibles, goods, instruments, documents and chattel paper) which, or evidence of which, are now or at any time in the future shall come into the possession or under the control of or be in transit to the payee or any of its nominees or agents for any purpose, whether or not accepted for the purposes for which it was delivered. The term "Liabilities" shall mean the indebtedness evidenced by this note and all other indebtedness, liabilities and obligations of any kind of the maker (or any partnership or other group of which the maker is a member) to (a) the payee, (b) any group of which the payee is a member, or (c) any other person if the payee has a participation or other interest in such indebtedness, liabilities or obligations, whether (i) for the payee's own account or as agent for others, (ii) acquired directly or indirectly by the payee from the maker or others, (iii) absolute or contingent, joint or several, secured or unsecured, liquidated or unliquidated, due or not due, contractual or tortious, now existing or hereafter arising, or (iv) incurred by the maker as principal, surety, endorser, guarantor or otherwise, and including without limitation all expenses, including attorneys' fees, incurred by the payee in connection with any such indebtedness, liabilities or obligations or any of the Property (including any sale or other disposition of the Property).

The payee or holder hereof shall not be obligated to exercise any authority or right granted to it hereunder and shall not be liable for any action taken or omitted or the manner of taking any action (including without limitation with respect to the care of the Property by the payee or holder hereof), except for its willful misconduct, and in no event for consequential damages.

Upon the happening, with respect to any maker, endorser or guarantor of this note or any assets of any such maker, endorser or guarantor, of any of the following events: death; the issuance of a warrant of attachment, whether valid or not; dissolution (if a corporation or partnership); the making of a mortgage or pledge; the commencement of a foreclosure proceeding; default in the payment of principal or interest on this note or in the payment of any other obligation of any said maker, endorser or guarantor held by the payee or holder hereof; default in the payment of principal or interest on any indebtedness for borrowed money owed to the Bank or any other person or entity (including any such indebtedness in the nature of a lease) or default in the performance or observance of the terms of any instrument pursuant to which such indebtedness was created or is secured, the effect of which default is to cause or permit any holder of any such indebtedness to cause the same to become due prior to its stated maturity (and whether or not such default is waived by the holder thereof); a change in the financial condition or affairs of any of them which in the opinion of the payee or subsequent holder hereof materially reduces his, their or its ability to pay all of his, their or its obligations; the suspension of business; the filing of a petition in bankruptcy whether voluntary or involuntary; the filing of an application, whether voluntary or involuntary, for reorganization or any arrangement or readjustment of indebtedness; the appointment or the filing of an application for the appointment of any receiver, trustee, liquidator or any committee; an assignment for the benefit of creditors; the calling of a meeting of creditors; the offering of a composition or extension to creditors; the sending of notice of an intended bulk sale; the entry of judgment; or the issuance of a warrant of distraint or assertion of a lien for unpaid taxes, this note, if not then due or payable on demand, shall become due and payable immediately without demand or notice and all other debts and obligations of the makers and endorsers hereof to the payee or holder hereof, whether due or not due and whether direct, indirect or contingent and howsoever evidenced, shall, at the option of the payee or holder hereof, also become due and payable immediately without demand or notice. After this note becomes due, at stated maturity, or on acceleration, any unpaid balance hereof shall bear interest from the date it becomes due until paid at a rate per annum 3% above the rate borne by this note when it becomes due or, if such rate shall not be lawful with respect to the undersigned, then at the highest lawful rate. The liability of any party to commercial paper held by the payee or holder hereof, other than the makers and endorsers hereof, shall remain unaffected hereby and such parties shall remain liable thereon in accordance with the original tenor thereof. Each maker and endorser agrees that if an attorney is retained to enforce or collect this note or any other obligations by reason of non-payment of this note when due or made due hereunder, a reasonable attorneys' fee shall be paid in addition, which fees shall be computed as follows: 15% of the principal, interest and all other sums due and owing to the payee or holder or the reasonable value of the attorneys' services, whichever is greater.

This note shall be governed by the laws of the State of New York and shall be binding upon the maker and the maker's heirs, administrators, successors and assigns. The maker hereby irrevocably submits to the jurisdiction of any New York State or Federal court located in New York City over any action or proceeding arising out of any dispute between the maker and the payee, and the maker further irrevocably consents to the service of any process in any such action or proceeding by the mailing of a copy of such process to the maker at the address set forth below. In the event of litigation between the payee and the maker over any matter connected with this note or resulting from transactions hereunder, the right to a trial by jury is hereby waived by the payee and the maker. A waiver by the payee, in one or more instances, of any of the terms and provisions of this note shall be in writing, shall apply to the particular instance or instances and at the particular time or times only, and shall not be deemed to be a continuing waiver.

BROOKLYN RESOURCE RECOVERY, INC.

BY: *Allen E. M...* SECRETARY

5811 PRESTON COURT

(Address) BROOKLYN, N.Y. 11234

VALUE RECEIVED

NO.

DUE

7/6/93

Form No. 718(10/86)