

ENHANCED BIOMASS TECHNOLOGY

SUMMARY: Utilizing a cryogenic (freezing) process for recycling of up to 3 million tires per year with end-use of recycled rubber for multiple uses (e.g., rubber asphalt, wood replacement, automotive plastics, marine products, decking, railroad ties etc . . .).

COST: \$50M as a **TURNKEY OPERATION**.

Note: there are also *Additional Options available* at an additional cost . . . e.g., Nitrogen storage on-site, Oversized tires capability, In-tandem options etc . . .

Owner has a choice to “Take or Pay” product:

TAKE: Owner can take product and sell as they wish.

PAY: Product is committed for purchase for next 10 to 15 years by FCL via an LC. The owner can take the LC to the bank to give a comfort level to the bank with the knowledge that the product is already committed for purchase.

PAYMENTS are broken down into 4 months at:

- \$5 MUSD for Month #1
- \$10MUSD for Month #2
- \$15MUSD for Month #3
- with Residual for Month #4 @ \$20 M

At this point **Delivery** of machinery made and to be assembled (typically takes 6 weeks). Therefore time for initiation of project including Order-up, Delivery and Assembly is approximately 6 months in total.

Once the above payments are made, the draft of the LC is confirmed and opened. Banks/In-Country then get Benefits of Cash Flows accordingly.

- Letters of Credit (L/C's) for Enhanced Bio-Mass are Issued via
- HSBC/Barclays'/J.P. Morgan/Bank of America –
- and for Term @\$1M+USD Weekly for Take-or-Pay
- which amounts to \$600,000,000+USD
- and/or with *option for* @Fifteen (15) Years, which is **\$900,000,000+USD**.
- For the Equipment Order-Ups with Export Bank Operations per USA/Canadian Manufacturing Ops./Patents: it will be Deutsche Bank as Commercial Bank of Record for Construction/Equipment.

LETTER of CREDIT

TAKE-or-PAY & LETTER of CREDIT(s)

ex-HSBC/BARCLAYS'/BANK of AMERICA/J.P. MORGAN et al

To: [Insert Seller company name], (the "Beneficiary") [insert address]

Dear Sirs,

IRREVOCABLE REVOLVING DOCUMENTARY LETTER OF CREDIT

For the account ofBuyer. (the "Applicant"), we, [insert name of issuing bank] (the "Issuing Bank"), hereby issue in favour of the Beneficiary our irrevocable documentary letter of credit, the "Letter of Credit") on the terms and subject to the conditions hereinafter contained.

1. The Issuing Bank unconditionally and irrevocably agrees to pay at sight to the Beneficiary the amount of each conforming draw subject to the terms of the Letter of Credit.

(a) The amounts payable by the issuing bank hereunder shall not exceed the Amount of the Letter of credit. The amount shall revert to the Required Amount of the L/C upon payment of each conforming draw.

(b) Multiple drawings allowed.

(c) The obligations of the Issuing Bank hereunder shall be effective on and from the date of its issue and shall expire at the counters of the Issuing Bank on [●] except to the extent that a conforming draw has been made by the Beneficiary in accordance with this Letter of Credit on or prior to such date.

2. Each draw made under this Letter of Credit must be made to the Issuing Bank and shall include all such documents as required under the Letter of Credit. The Documents shall include:

i. A commercial invoice, in the name of Buyer, in one Original and two certified Copies;

ii. Two certified true Copies of the Original Bills of Lading showing shipments pertaining to the invoices presented;

iii. Packing List in one Original and one certified true Copy; and

iv. Beneficiary's letter on company letterhead signed by a senior officer of the company stating that the Buyer has not made payment, in accordance with the Agreement, for the particular invoice being presented with a Power of Attorney from the signing senior officer of the company.

3. The Beneficiary may transfer (by way of assignment or otherwise) their rights under this Letter of Credit to any person to whom all or any part of its rights have been assigned or transferred in accordance with the Master Product Offtake Agreement. There is no limit to the number of such transfers. All transfers must be approved in advance by the Issuing Bank and the Applicant.

4. Assignment or Transfer: The L/C may be assigned to lenders as collateral. However, the Buyer shall have the right to prior written consent to be obtained by the Beneficiary to ensure the assignee is eligible under US Law and that any beneficiary of the L/C must be a party to the Master Product Offtake Agreement.

5. This Letter of Credit must be subject to Uniform Customs and Practice for Documentary Credits (2007 Revision) ICC Publication No. 600.

6. All costs and expenses related to this Letter of Credit and any drawing, extension or other action taken hereunder shall be for the account of the Applicant.

7. The L/C shall only expire at the counters of the Issuing Bank. 8. The advising bank shall not add confirmation.

Yours faithfully,
(as Issuing Bank)

Issuing Bank's address for Demands:

Address:

Contact:

Phone:

Fax: