

**ACCOUNT SETTLEMENT AND RECYCLABLE
MATERIALS PURCHASE AND SALE AGREEMENT**

THIS AGREEMENT made this 23 day of August, 2016, by and between the Town of Islip Resource Recovery Agency, a body corporate and politic constituting a public authority under the laws of the State of New York, with offices at 401 Main Street, Islip, New York 11751 (hereinafter the "Agency") and All Container Recovery Inc., a New York corporation with offices at 21 Pine Aire Drive, Bay Shore, New York 11706 (hereinafter "ACR") provides as follows:

WHEREAS, ACR is a New York corporation organized on or about November 22, 2010; and

WHEREAS, Peter Sidote is the majority shareholder, director and chief executive officer of ACR, and has previously served as shareholder, director and officer of Recycling In Communities, Inc., and Redem Enterprises, Inc., two (2) New York corporations organized on September 5, 1995 and August 9, 2002, respectively, and both dissolved by proclamation on July 27, 2011; and

WHEREAS, ACR, Recycling In Communities, Inc., Redem Enterprises, Inc. and Peter Sidote (collectively, the "Sidote Enterprises") have, over a period of years, conducted business with the Agency, consisting of the purchase and acceptance of recyclable materials collected by the Agency and delivered to one or more of the Sidote Enterprises for processing and sale; and

WHEREAS, over the term of the business relationship between the Sidote Enterprises and the Agency, the Sidote Enterprises have become indebted to the Agency in the amount of \$108,966.40 as arrears in monies lawfully due and owing to the Agency for the purchase of recyclable materials; and

WHEREAS, ACR and the Agency wish to consolidate this debt in the name of ACR and repay said debt to the Agency pursuant to a payment schedule, without the commencement of a court proceeding; and

WHEREAS, ACR and the Agency also wish to continue to do business with each other for the sale and purchase of recyclable materials.

NOW, THEREFORE, in consideration of the promises and mutual promises referred to in the Recitals and contained herein, and of other consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby:

Article 1: Consolidation and Repayment of Debt

1. ACR and the Agency hereby warrant, represent and acknowledge that the total debt due to the Agency as a result of past business dealings between the Agency and ACR is the sum of ~~\$108,966.40~~ **\$99,966.40** *AK RS*.
2. ACR hereby warrants and represents that the entire debt is due and owing by ACR to the Agency as of the date of execution of this Agreement, and ACR hereby waives all defenses to the collection of said debt except for defenses as may arise pursuant to the provisions of this Agreement, and agrees to the payment provisions set forth herein.
3. The Agency hereby releases Recycling In Communities, Inc., Redem Enterprises, Inc. and such other Sidote Enterprises other than ACR from liability for such debt, and agrees to the payment provisions set forth herein.
4. It is understood and agreed that the debt acknowledged herein by ACR shall be paid in installments of \$3,000.00 per month over a term of three (3) years, without interest, pursuant to the payment schedule annexed hereto as Exhibit A.
5. In consideration of these terms, ACR, by Peter Sidote, shall execute and deliver to the Agency, the annexed Affidavit in Support of Confession of Judgment pursuant to CPLR §3218. The Agency shall hold said Affidavit, but shall not file or enforce any judgment against ACR for the debt referenced therein, for so long as ACR continues to make payment and abide by the terms of this Agreement.
6. Failure to make timely payment of any amount due under the terms of the Schedule set forth in Exhibit A shall, after thirty (30) days' written notice and opportunity to cure within said 30-day period, be a breach of the terms of this Agreement, and the Agency may, without further notice of opportunity to cure, file judgment against ACR for the entire amount of the debt then remaining unpaid and may enforce said judgment in accordance with law.
7. The provisions of this Article 1 shall survive any termination of the provisions of Article 2 herein, and shall continue until the indebtedness of ACR to the Agency is satisfied.

Article 2: Purchase of Recyclable Plastic Materials from the Agency by ACR

8. ACR shall purchase from the Agency, recyclable plastic materials collected from Town of Islip residences and initially sorted by the Agency at its Materials Recovery Facility located on

Lincoln Avenue in Sayville, New York. The term of the purchase and sale provisions of this Article 2 of this Agreement shall be for a period of three (3) years from the date of execution hereof.

9. The Agency will deliver to the ACR facility a minimum of 300 cubic yards of mixed plastic containers per week unless unable to do so for equipment problems, extreme weather conditions, or change of program. It is understood and agreed that ACR shall perform a finer sort of said materials and may market said materials for its own account. It is further understood and agreed that said materials as delivered by the Agency may contain up to 10% non-recyclable materials, which ACR shall be responsible for sorting, removing and disposing of at its own cost and expense.

10. ACR may, after inspection, immediately communicate its intent to reject a delivered load of plastics for the presence of more than 10% non-recyclable material in the load, or for other specific, verifiable reason. ACR shall contact the Agency and an Agency representative will view the load (hereinafter the "Challenged Load") at the ACR facility. If the representative agrees that its contents are unacceptable or contain more than 10% non-recyclable material, the Challenged Load will be returned to the Agency. If the representative does not agree, or if the Challenged Load has been deposited on the tip floor at the ACR facility, the trip ticket for the Challenged Load will be so marked and signed by the ACR and Agency representatives. The Challenged Load will be processed separately by ACR.

11. ACR and the Agency acknowledge that 10%, by weight, of any delivered load may be non-recyclable material. ACR shall be responsible for the final disposal of this material removed during the ACR process. The Agency will dispose of non-recyclable material in excess of the aforementioned 10%. ACR will keep all non-recyclable material removed during processing in separate containers, under cover. Periodically, or at the request of ACR, the Agency will inspect the material, review the ACR records, and arrange to remove the excess non-recyclable material from the ACR facility. ACR shall acknowledge the removal of said material by signing the trip ticket.

12. ACR will pay to the Agency, \$0.01 per pound of mixed plastic material recovered within ten (10) days upon receipt of the monthly Agency invoice. Payments not received within 30 days of their due date will be charged interest at the rate of 1% per month. All weights shall be recorded on Agency scales at the Materials Recovery Facility, or at the Agency's landfill at Blydenburgh Road in Hauppauge, New York.
13. Any payments for recyclable materials pursuant to this Article 2 that are not made within 60 days of their due date, shall be grounds for termination and breach of both Article 1 and Article 2 of this Agreement.
14. Nothing herein shall prevent the parties from adjusting the prices paid for mixed plastic materials on mutual written agreement made upon change in market conditions. If, in the event of a change in national market conditions of greater than 10% of the price prevailing at the start of this Agreement, the parties cannot agree as to a revised price, either party may terminate its obligations to the other pursuant to this Article 2, upon thirty (30) days written notice.
15. ACR will maintain the necessary operating approvals from the New York State Department of Environmental Conservation and the Town of Islip.
16. This Agreement may not be assigned by either party without the express written consent of the other.
17. All disputes arising from this Agreement shall be subject to the laws of the State of New York, and all actions and proceedings with respect to such disputes shall be brought in the Supreme Court of the State of New York, County of Suffolk.
18. This Agreement supersedes any and all former Agency/ACR agreements, whether written or oral.

[END OF TEXT - SIGNATURES APPEAR ON THE FOLLOWING PAGE]

WHEREFORE, the authorized representatives of the parties have set their hands as of the date first mentioned above.

TOWN OF ISLIP RESOURCE
RECOVERY AGENCY

By: [Signature]
Printed Name: Greg Hancock
Title: Deputy Commissioner
Date: 8/23/16

ALL CONTAINER RECOVERY INC.

By: [Signature]
Printed Name: Peter Sente
Title: Pres.
Date: 8-23-16


ACKNOWLEDGEMENT

STATE OF NEW YORK)

ss.:

COUNTY OF SUFFOLK)

On the 23rd day of August, in the year 2016, before me, the undersigned, personally appeared Greg Hancock, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.


Signature and Office of Individual
Taking Acknowledgement

LINDA BUNDE
NOTARY PUBLIC, State of New York
No. 01BU5055820
Qualified in Suffolk County
Commission Expires Feb. 20, 2018

ACKNOWLEDGEMENT

STATE OF NEW YORK)

ss.:

COUNTY OF SUFFOLK)

On the 23rd day of August, in the year 2016, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.


Signature and Office of Individual
Taking Acknowledgement

LINDA BUNDE
NOTARY PUBLIC, State of New York
No. 01BU5055820
Qualified in Suffolk County
Commission Expires Feb. 20, 2018

All Container Recovery Repayment Schedule

Payment #	Date	Balance Forward	Monthly Payment	Net Balance
1	Jun-16	\$ 108,966.40	\$ 3,000.00	\$ 105,966.40
2	Jul-16	\$ 105,966.40	\$ 3,000.00	\$ 102,966.40
3	Aug-16	\$ 102,966.40	\$ 3,000.00	\$ 99,966.40
4	Sep-16	\$ 99,966.40	\$ 3,000.00	\$ 96,966.40
5	Oct-16	\$ 96,966.40	\$ 3,000.00	\$ 93,966.40
6	Nov-16	\$ 93,966.40	\$ 3,000.00	\$ 90,966.40
7	Dec-16	\$ 90,966.40	\$ 3,000.00	\$ 87,966.40
8	Jan-17	\$ 87,966.40	\$ 3,000.00	\$ 84,966.40
9	Feb-17	\$ 84,966.40	\$ 3,000.00	\$ 81,966.40
10	Mar-17	\$ 81,966.40	\$ 3,000.00	\$ 78,966.40
11	Apr-17	\$ 78,966.40	\$ 3,000.00	\$ 75,966.40
12	May-17	\$ 75,966.40	\$ 3,000.00	\$ 72,966.40
13	Jun-17	\$ 72,966.40	\$ 3,000.00	\$ 69,966.40
14	Jul-17	\$ 69,966.40	\$ 3,000.00	\$ 66,966.40
15	Aug-17	\$ 66,966.40	\$ 3,000.00	\$ 63,966.40
16	Sep-17	\$ 63,966.40	\$ 3,000.00	\$ 60,966.40
17	Oct-17	\$ 60,966.40	\$ 3,000.00	\$ 57,966.40
18	Nov-17	\$ 57,966.40	\$ 3,000.00	\$ 54,966.40
19	Dec-17	\$ 54,966.40	\$ 3,000.00	\$ 51,966.40
20	Jan-18	\$ 51,966.40	\$ 3,000.00	\$ 48,966.40
21	Feb-18	\$ 48,966.40	\$ 3,000.00	\$ 45,966.40
22	Mar-18	\$ 45,966.40	\$ 3,000.00	\$ 42,966.40
23	Apr-18	\$ 42,966.40	\$ 3,000.00	\$ 39,966.40
24	May-18	\$ 39,966.40	\$ 3,000.00	\$ 36,966.40
25	Jun-18	\$ 36,966.40	\$ 3,000.00	\$ 33,966.40
26	Jul-18	\$ 33,966.40	\$ 3,000.00	\$ 30,966.40
27	Aug-18	\$ 30,966.40	\$ 3,000.00	\$ 27,966.40
28	Sep-18	\$ 27,966.40	\$ 3,000.00	\$ 24,966.40
29	Oct-18	\$ 24,966.40	\$ 3,000.00	\$ 21,966.40
30	Nov-18	\$ 21,966.40	\$ 3,000.00	\$ 18,966.40
31	Dec-18	\$ 18,966.40	\$ 3,000.00	\$ 15,966.40
32	Jan-19	\$ 15,966.40	\$ 3,000.00	\$ 12,966.40
33	Feb-19	\$ 12,966.40	\$ 3,000.00	\$ 9,966.40
34	Mar-19	\$ 9,966.40	\$ 3,000.00	\$ 6,966.40
35	Apr-19	\$ 6,966.40	\$ 3,000.00	\$ 3,966.40
36	May-19	\$ 3,966.40	\$ 3,000.00	\$ 966.40
37	Jun-19	\$ 966.40	\$ 966.40	\$ -

As of 8/2/2016

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SUFFOLK

-----X
ISLIP RESOURCE RECOVERY AGENCY,

Index No.: _____

Plaintiff,

- against -

AFFIDAVIT FOR JUDGMENT
BY CONFESSION

ALL CONTAINER RECOVERY, INC.,

Defendant.

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STATE OF NEW YORK }
COUNTY OF SUFFOLK } SS:

PETER SIDOTE, being duly sworn, deposes and says

1. I am the President and chief operating officer of All Container Recovery Inc., the defendant in the above captioned action, and I make this affidavit on behalf of the defendant corporation, with authorization from the Board of Directors thereof.
2. I reside at [REDACTED],
in the County of [REDACTED], State of New York. The defendant corporation is organized under the laws of the State of New York and maintains offices at 21 Pine Aire Dr., Brentwood, N.Y.
3. I am authorized by the defendant corporation in the above-entitled action, to confess judgment in this court in favor of the plaintiff, Islip Resource Recovery Agency, for the sum of \$108,966.40 and hereby authorize the plaintiff or its heirs, executors, administrators, or assigns to enter judgment for that sum against All Container Recovery Inc.
4. This confession of judgment is for a debt justly due to the plaintiff, arising out of the following facts:

- a. Defendant All Container Recovery Inc. is a New York corporation engaged in the business of processing and marketing recyclable materials. Plaintiff Islip Resource Recovery Agency is a public authority organized to receive and market recyclable materials collected from the residences of the people of the Town of Islip, N.Y.
 - b. Over a period of years defendant All Container Recovery Inc., of which I was a principal and operating officer, made agreements with the plaintiff to receive and pay for various recyclables at rates payable based on quantities received.
 - c. Defendant All Container Recovery is in arrears in the payment of fees for the materials received from the plaintiff in the amount of \$108,966.40.
 - d. In order to resolve the indebtedness incurred, the plaintiff and defendant entered into an agreement of even date herewith, and annexed hereto, to pay down the debt incurred on an installment basis, without interest, over a period of three years, and to continue business arrangements for the purchase of additional recyclable materials.
 - e. In consideration for the terms extended by plaintiff for the repayment of the debt owed, the defendant executes this confession of judgment with the understanding that plaintiff shall not enforce it so long as defendant makes installment payments pursuant to the terms of a payment schedule annexed to the aforesaid agreement, and in the event of breach of said agreement, only to the extent of payments still due and owing.
5. This confession of judgment is not for the purpose of securing the plaintiff against a contingent liability.

Dated August , 2016
Islip, N.Y.

ALL CONTAINER RECOVERY, INC.

BY: 

PETER SIDOTE, President

STATE OF NEW YORK
COUNTY OF SUFFOLK

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Before me the undersigned authority on this day personally appeared [name] Peter Sidote, who is [title] President of All Container Recovery Inc., after being duly sworn deposed and stated that he executed the foregoing Extension Agreement and Amendment on behalf of All Container Recovery Inc, for the purposes and consideration therein expressed in the capacity therein stated.

SWORN AND SUBSCRIBED
before me on this

23 day of August, 2016.

LINDA BUNDE
NOTARY PUBLIC, State of New York
No. 0101055620
Qualified in Suffolk County
Commission Expires Feb. 20, 2018

