

## Core Application – Applicant General Information

The Core Application captures specific and general information about the Applicant and the Project. This section begins with a survey of "General Information," followed by a section that describes the Applicant's Interest or relationship to the project site. This helps establish eligibility and which benefits will be applied to the project.

Name: Royal Recycling Services Inc.
Address: 187-40 Hollis Avenue, Hollis, New York, 11423
Phone Number(s): [REDACTED]
Fax Number(s): [REDACTED]
E-mail Address: [REDACTED]
Website Address: www.royalwaste.com
Applicant EIN Number: 75-3205323
S.I.C. Code:
NAICS Code:

Date of Application: 1/13/2010

1. Applicable Program (please check one):

- Manufacturing Facilities Bond Program       Empowerment Zone Facilities Bond Program  
 Industrial Incentive Program ("IIP")       Exempt Facilities Bond Program  
 Small Industrial Incentive Program ("SIIP")

SIIP is only available for Applicants with annual revenues of less than \$5 million and fewer than 100 employees; IIP is only available for Applicants with either annual revenues that are \$5 million or greater or 100 or more employees.

2. Officer of Applicant serving as contact person:

Name: Mike Reali      Firm: Royal Waste Services, Inc.  
Phone # [REDACTED]      Fax#: [REDACTED]  
E-mail Address: [REDACTED]      Address: 187-40 Hollis Avenue, Hollis, New York, 11423

3. Attorney of Applicant:

Name: Anthony Agrippina      Firm: Anthony Agrippina  
Phone # [REDACTED]      Fax#: \_\_\_\_\_  
E-mail Address: [REDACTED]      Address: 167-11 Union Turnpike, Flushing, NY 11366

4. Accountant of Applicant:

Name: Martin Koval      Firm: Koval & Casagrande CPAs  
Phone # [REDACTED]      Fax#: [REDACTED]  
E-mail Address: \_\_\_\_\_      Address: 100 Crossways Park West, Suite 103, Woodbury, NY 11797

5. Other Advisor/Consultant to Applicant (If applicable):

Name: Sunil Aggarwal Firm: Think Forward Financial Group  
Phone # [REDACTED] Fax#: [REDACTED]  
E-mail Address: [REDACTED] Address: 27 Whitehall Street, New York, NY 10004

6. Applicant is (check one of the following, as applicable):

- General Partnership       Limited Partnership       C Corporation  
 S Corporation       Limited Liability Company       Natural Person  
 501(c)(3) Organization       Other (specify): \_\_\_\_\_

7. Are any securities of Applicant publicly traded?

- Yes       No

8. Applicant's state of incorporation or formation: New York

9. Applicant's date of incorporation or formation: 2006

10. States in which Applicant is qualified to do business: NY, CT, PA, NJ

11. Please provide a brief description of Applicant and nature of its business: For more details see the attached description.....

Royal Recycling Services has been in recycling business for the past twenty years. The Company recycles in excess of 12,000 tons per month (24 million pounds) of paper, cardboard and plastics and metals. The Company receives various recyclable materials by trucks. And after receiving them it separates them out into different grades with a automatic sorting system. After the gades are sorted and cleaned, they are manufactured into separte bales. After thi, the are ready tobe shipped. Ninety percent of its materials are exported to paper mills overseas to China and the Pacific Rim. These materilas are reused in various manufacturing proceeses as a resource for making new products. It ships approximately 60-80 overseas containers a week from the Newark port. The rest of the materials are sold to domestic paper mills for manufacturing of new material.

Royal Recycling is a family owned business. It is owned and operated by three Reali brothers and their cousin. Originally, it was established by their fater. The compnay has about 50 customers. These customers include carting companies, subcontractors. The Company owns and occupies 50,000 sf space for its operations located at 187-40 Hollis Avenue, Hollis, NY. Due to limted capacity, it cannot expand its business. The new project space of 67,000 sf of space will enable the compnay to double its capacity. The new project building has 37,000 sf building and additional 30,000 sf of land. It will provide the compnay with more sorting space, more baling space and is more efficient than its existing space. Including its current space, the company will Royal will have in excess of 100,000 sf of space for its operations, emploting 80 people and adding another 30 with a total of 110 employees in next three years.

## Core Application – Applicant Interest in Project Realty

**Please note:** An "Affiliate" means any individual, corporation, partnership, joint venture, sole proprietorship, limited liability company, trust or other entity that controls, is controlled by or is under common control with the Applicant or the "SPE" (defined herein below).

1. Please check all that apply:

- Applicant or an Affiliate is the fee simple owner of the Project realty.
- Applicant or an Affiliate is not currently, but expects to be the fee simple owner of the Project realty.
- Applicant or an Affiliate is not the owner of the Project realty, but is the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- Applicant or an Affiliate is not the owner of the Project realty, but expects, immediately following the closing, to be the occupant of a material portion thereof for the conduct of its business pursuant to a lease or other occupancy agreement.
- None of the above categories fully describe Applicant and its relation to the Project realty, which may be more accurately described as follows (please provide copies of supporting documentation, as applicable):

**Please note:** Please pay particular attention to items 5, 6 and 16 in the Required Documents List (attached), which request additional information specific to the Project realty.

2. If a special-purpose entity ("SPE") that is owned and controlled by the Applicant will own or otherwise control the Project realty, the SPE will be a (check one of the following as applicable):

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership                  | <input type="checkbox"/> C Corporation                   |
| <input type="checkbox"/> S Corporation       | <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Not-for-profit 501(c)(3) Entity |
| <input type="checkbox"/> Natural Person      | <input type="checkbox"/> Other (specify): _____               |  |

Name of SPE: to be established
Address:
Phone Number(s):
Contact Person: Mike Reali
Title of Contact Person:
Affiliation of SPE to Applicant:
Owners of SPE and each respective ownership share:
SPE EIN Number:

**Please note:** If information required above for the SPE is unknown at time of Application submission, then please submit any missing information to the NYCIDA as soon as it becomes available.

3. Give the following information with respect to all present and proposed tenants and sub-tenants at the proposed project site. Provide information on an additional sheet if space is needed.

Company Name	Phone	Affiliation with Applicant	SF & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
N/A					

## Core Application – Project Description and Financial Information

Please complete this section of the Application for each of the Project sites, defined as a facility (perhaps encompassing more than one address and/or block and lot) with either a distinct employment base (as evidenced through D.O.L. reporting) or with a separate and distinguishable source of funding for the acquisition, renovation or construction of the facility. If more than one site exists for this Project, please make the requisite number of copies of this section and fill it out for each site.

Site# 1
Borough: Queens
Neighborhood: Greenpoint
Block(s): 10352
Lot(s): 125
Street address and zip code: 187-10 Jamaica Avenue, Hollis, New York
Zoning: M1
Square footage of land: 67,000
Square footage of existing building(s): 38,000
Number of floors: 1
Intended use(s) (e.g., office, retail, etc.): Recycling of Paper, Cardboard and plastics materials.

1. Please provide the following Project information:

a. Please provide a brief description of the proposed Project: The project involves the acquisition of a 38,000 sf building on a parcel of 67,000 sf of land for recycling operations. The company will also purchase new equipment which will include new sorting machines and new balers. In addition, the project property will require few minor improvements including raising the roof for a section of the building, upgrading the electrical system, and some paint work.

The financing will be provided by the seller of the building through a PMM, the details of which are provided in the contract of sale.

b. When does Applicant want Closing to occur (i.e., when does Applicant want the proceeds from the Bonds or other benefits sought to be available for the Project costs)? February 2010

c. Indicate the estimated date for commencement of the Project: March 2010

d. Indicate the estimated date for completion of the Project: December 2010

e. Is the Project site located in a New York State Empire Zone?

Yes       No

If Yes, which zone? Jamaica

f. Is the project site located in the Federal Empowerment Zone?

Yes       No

g. Will the Project require Uniform Land Use Review Procedure ("ULURP") approval?

Yes       No

h. Will the Project require any other special permit or approval?

Yes       No

i. Is any governmental entity intended or proposed to be an occupant at the Project site?

Yes  No

If Yes, please provide details:

j. Will the Project require a tax lot apportionment or subdivision? (Tax lot apportionment will be required for real estate tax benefits to commence.)

Yes  No

If Yes, please provide details and timing:

2. Please complete the following summary of Project sources and uses:

Uses of Funds		Sources of Funds	
Land acquisition <sup>3</sup>		Bonds	
Building acquisition <sup>3</sup>	5,625,000	Loan (1)	4,500,000
New construction <sup>4</sup>		Loan (2)	
Renovations	150,000	Capital campaign <sup>3</sup>	
Fixed tenant improvements		Affiliate/employee loans	
Machinery and/or equipment	1,000,000	Company funds	
Soft costs (define):		Fund balance <sup>3</sup>	
Furnishings		Other equity (explain)	2,475,000
Debt Service Reserve Fund <sup>5</sup>		Other (explain)	
Capitalized interest <sup>3</sup>		Other (explain)	
Other (explain)	200,000	Other (explain)	
<b>Total Project Uses</b>	<b>6,975,000</b>	<b>Total Project Sources</b>	<b>6,975,000</b>

3. Please list where machinery and equipment will be purchased and what percentage of total machinery and equipment relating to the Project this will represent:

- New York City                      Percentage of Total? 100%
- New York State (excluding NYC)      Percentage of Total? \_\_\_\_\_
- United States (excluding NY State)      Percentage of Total? \_\_\_\_\_
- Outside United States                      Percentage of Total? \_\_\_\_\_

<sup>3</sup>Please estimate Land and Building acquisition costs separately if possible.

<sup>4</sup>Please define New Construction on a separate piece of paper.

<sup>5</sup>Applies to not-for-profit bond financings only

## Core Application – Background Information on Applicant & Applicant’s Affiliates

**Please note:** “Principal” means the following with respect to the Applicant and/or the SPE: all persons (entities or individuals) that control the Applicant and/or the SPE, and/or own more than 10 percent of either; all executive officers; all directors; and all members and general partners for, respectively, limited liability companies and partnerships.

Please answer the following questions and, if necessary, include additional information as an attachment:

1. Has Applicant, or any Affiliate or Principal, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity or agency, or any public authority or public benefit corporation, or any local development corporation?

Yes  No If Yes, please provide details on an attached sheet.

**Please note:** local, state and federal governmental entities or agencies, public authorities or public benefit corporations, and local development corporations, shall be referred to as “Public Entit(y)(ies).”

2. Has Applicant, or any Affiliate or Principal, or any existing or proposed occupant at the Project site, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA?

Yes  No If Yes, please provide details on an attached sheet.

3. Has Applicant, or any Affiliate or Principal, ever defaulted on a loan or other obligation to a Public Entity?

Yes  No If Yes, please provide details on an attached sheet.

4. Has real property in which Applicant, or Affiliate or Principal, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

Yes  No If Yes, please provide details on an attached sheet.

5. Does Applicant, or any Affiliate or Principal, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.

Yes  No If Yes, please provide details on an attached sheet.

6. Has the Applicant, or any Affiliate or Principal, failed to file any required tax returns as and when required with appropriate governmental authorities?

Yes  No If Yes, please provide details on an attached sheet.

Please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

Company Name	Address	Contact	Phone	Percent of Revenues
See Attached				

8. List major suppliers:

Company	Address	Contact	Phone
See Attached			

9. List unions (if applicable)

Union Name	Address	Contact	Phone	Contact Expiration
U.C.T.I.E.	75-13 Metropolitan Avenue, Middle Village, NY 11379	Andrew Tolamo	718.847.7726	June 2011

10. List banks:

Bank Name	Address	Contact	Phone	Type of Account
Capitol One Bank			718-843-8201	Business Checking

11. List licensing authorities, if applicable:

Company Name	Address	Contact	Phone	Percent of Revenues



Core Application – Request, Certification etc.

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the NYCIDA Board, in order to obtain from the NYCIDA Board an expression of intent to provide the benefits requested herein for the Project. I understand that this expression of intent will take the form of an inducement resolution to be adopted by the Board.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant.

I certify to the best of my knowledge and belief that all of the information provided in these Application Materials is accurate, true and correct. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Board to reject the request made in the Application Materials.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check; that the NYCIDA may be required under SEQR to make a determination as to the Project's environmental impact and that in the event the NYCIDA does determine that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA may be required to disclose the Application Materials and the information contained therein (see Disclosure Policy and Procedure); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials, including (in the case of Bonds) but not limited to payment of the New York State bond issuance fees (if applicable to the Bonds in question) based upon the aggregate principal amount of the Bonds.

I further understand and agree as follows:

That in the event the Application Materials are not submitted to the Board for any reason including negative results obtained through the background check, and/or, with respect to Application Materials that are submitted to the Board, in the event the Board rejects same, then, under either of said circumstances, Applicant shall have no recourse against the NYCIDA or any other public or governmental entity or public benefit corporation (including NYCEDC), or any directors, officers, employees or agents of the foregoing (collectively, the "Public Participants"), for the Application Fee, or for other expenses incurred by Applicant or other parties on behalf thereof, or for damages or specific performance; and that the Application Fee is under all circumstances (including but not limited to the ones just described and the ones described in the next succeeding paragraph) non-refundable; and

That if the Board adopts an inducement resolution with respect to the request made in the Application Materials, such adoption shall not be deemed a guaranty that the Board will adopt an authorizing resolution; or that the NYCIDA will then provide the induced benefits; and

That Applicant shall indemnify the NYCIDA for fees and disbursements incurred by bond counsel (in the case of a Bond transaction) or by project counsel (in the case of a straight-lease transaction); and that bond counsel or project counsel (as applicable) shall be a third-party beneficiary of this indemnity to the NYCIDA regardless of whether a Closing occurs and if no Closing occurs, regardless of the reason thereafter and regardless of whether a Closing was within or without the control of any of the Public Participants; and

That in the event NYCIDA discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the NYCIDA to make such disclosure and hereby releases the NYCIDA from any claim or action that Applicant may have or might bring against the NYCIDA, its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the NYCIDA and, if applicable, the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

I acknowledge and agree that the NYCIDA reserves the right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

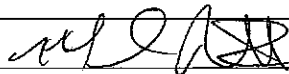
This 13 day of , 200 .

Name of Applicant: Royal Recycling Services, Inc.

By: Printed Name of Signer: Mike Reali

Title of Signer: President

Signature:



# Environmental Assessment Form

**Please note:** This document is designed to assist in determining whether the action proposed may have a significant effect on the environment. Please complete the entire form. Answers to these questions will be considered as part of the application for approval and may be subject to further verification and public review. It is expected that completion of the full EAF will be dependent on the information currently available and will not include new studies, research investigation. If information requiring such additional work is unavailable so indicate and specify each instance.

Name of action: Royal Recycling Services, Inc.	
Location of action (or show site location on a copy of a Hagstrom or other street map): 187-10 Jamaica Avenue, Hollis, NY	
Name of Applicant: Royal Recycling Services, Inc. .	Telephone: [REDACTED]
Address of Applicant: 187-40 Hoolis Avenue, Hollis, New york 11423	FAX: [REDACTED]
	Contact: Michael Reali
Name of Owner (if different):	Telephone:
Address of Owner: 65 Davids Drive, Hauppauge, New York 11788	FAX:
	Contact:
Description of action (please be precise): The project involves the acquisition of a 38,000 sf building on a parcel of 67,000 sf of land for recycling operations. The company will also purchase new equipment which will include new sorting machines and new balers. In addition, the project propoerty will require few minor improvements including raising the roof for a section of the builising, upgrading the electrical system, and some paint work.	
PLEASE NOTE that a copy of the Phase I will be provided to IDA by January 30 <sup>th</sup> , 2010.	

**Site Description**

(Physical setting of overall Project, both developed and undeveloped areas.)

1. Present land use:       Urban                       Industrial                       Commercial  
                                   Forest                       Agriculture                       Residential (suburban)  
                                   Rural (non-farm)       Other: \_\_\_\_\_

2. Total acreage of Project area: 1.50 acres

Approximate Acreage	Presently (in acres)	After Completion (in acres)
Meadow or brushland (non-agricultural)	n/a	
Forested		
Agricultural (includes orchards, cropland, pasture, etc.)		
Wetland (freshwater or tidal as per Articles 24, 25 of ECL)		
Water surface area		
Unvegetated (rock, earth or fill)		
Roads, building and other paved surfaces		
Other (indicate type)		

1. Will the completion of the Project result in the removal of a plant or facility of Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of New York City) to an area within New York City?

Yes  No

If "Yes," please provide the following information:

Address of the to-be-removed plant or facility:

Names of all current occupants of the to-be-removed plant or facility:

2. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of any proposed occupant of the Project, located in an area of New York State other than New York City?

Yes  No

If "Yes," please provide the following information:

Addresses of the to-be-abandoned plant(s) or facility(ies):

Names of all current occupants of the to-be-abandoned plants or facilities:

3. Will the completion of the Project in any way cause the removal and/or abandonment of plants and facilities anywhere in New York State (but outside of New York City)?

Yes  No

If "Yes," please provide all information relevant to such future removal and/or abandonment:

**If the answer to either question 1, 2 or 3, is "Yes," please continue and answer questions 4 and 5.**

4. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry?

Yes  No

5. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State?

Yes  No

If the answer to question 4 and/or question 5 is "Yes," please provide on a separate sheet of paper a detailed statement explaining same.


Certification

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Royal Recycling Services, Inc.

By: Printed Name of Signer: Michael Reali

Title of Signer: President

Signature: 

Date: 1/13/2010

# Employment Questionnaire

The New York City Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location. If Applicant is a real estate holding company that is an affiliate of an operating company and Applicant intends to lease the Project Location to such operating company, then the Applicant and the operating company must fill out separate copies of this Questionnaire.

Applicant Name: Royal Recycling Services, Inc.
Address: 187-40 Hollis Avenue, Hollis, New York 11423
Phone Number(s): [REDACTED]
Contact Person: Michael Reali
Title of Contact Person: President
Affiliation of SPE to Applicant:
Owners of SPE and each respective ownership share:
SPE EIN Number:

1. Do you expect to conduct business at other locations in New York State?

Yes  No

2. Expected construction completion date (where applicable): n.a

3. Department of Labor Registration Number of Tenant(s): N/A

**Do not include any subcontractors or subconsultants; include only employees and owners/principals on your payroll and on the payroll of Tenant(s).**

4. How many employees does Applicant employ in New York City at the time of Application submission?

Full-time: 80 Part-time: \_\_\_\_\_ (on average, Part-time workers work \_\_\_\_\_ hours per week)

5. How many employees referred to in question 4 reside in New York City at the time of Application submission?

Full-time: 80 Part-time: \_\_\_\_\_

6. How many employees does Applicant employ outside of New York City but in New York State at the time of Application submission?

Full-time: 0 Part-time: \_\_\_\_\_ (on average, Part-time workers work \_\_\_\_\_ hours per week)

7. How many employees does Applicant employ at the project location (annual average)?

Full-time: 0 Part-time: \_\_\_\_\_

8. Projected employment at Project Location for the Company on June 30:

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year
Full-time	<u>85</u>	95	105	110	115	120	125
Part-time							

9. Projected employment at Project Location for your Tenant(s) on an annual basis:

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year
Full-time							
Part-time							

10. Projected average quarterly wage/salary of employees at project location during first year of operation: \$ 600,000.

11. Describe the occupational composition of the workforce at the Project Location. Note differences between this composition and what is typical at other NYC locations.

Managers, sorters, operators, drivers, forklift operators, administrative, sales.

12. Does Applicant intend to employ new employees at the Project Location, and/or will Applicant transfer current employees from premises currently being used? Please provide details.

The company will move all of its employees from its current location plus add another 30 employees over the next three years.

#### Authorization

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the NYCIDA and/or to NYCEDC and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under DOL's control that is pertinent to the Company and the Company's employees. In addition, upon the Agency's request, the Company shall provide to the Agency any employment information in the Company's possession that is pertinent to the Company and the Company's employees. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Company itself, or any information previously released as provided by all or any of the foregoing parties (collectively, "Employment Information") may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or NYCEDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and without limiting the foregoing, the Employment Information may be included in (1) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (2) other reports required of the Agency, and (3) any other reports required by law. This authorization shall remain in effect throughout the term of this Lease.

Name of Applicant: Royal Recycling Services, Inc.

By: Printed Name of Signer: Michael Reali

Title of Signer: President

Signature: 

Date: 1/13/2010

Attach to this Questionnaire your most recent four quarters of the NYS-45 "Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return." Attach additional pages if necessary.

## NYCIDA Employment and Other Labor Matters Questionnaire

The Applicant and its Affiliates hereinafter will be referred to as the "Companies" or individually as a "Company." If any of the following questions applies to none of these Companies, answer "NONE"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant. When the space provided for an answer is insufficient, provide the answer on a separate sheet of paper and attach that paper to this Questionnaire.

1. List all of the labor union contracts and collective bargaining arrangements to which any of the Companies is currently a party:

U.C.T.I.E Contract Expiration June 2011

2. Have any of the Companies during the current calendar year and the five calendar years preceding the current calendar year experienced labor unrest situations, including pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?

Yes  No

If Yes, please explain:

3. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year and the three calendar years preceding the current calendar year?

Yes  No

If Yes, please describe and explain current status of complaints:

4. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings, labor disputes, strikes or disturbances during the current calendar year and the three calendar years preceding the current calendar year?

Yes  No

If Yes, please explain:

5. Are all employees of the Companies permitted to work in the United States?

Yes  No

If No, please provide details on an attached sheet.

What steps do the Companies take as a matter of course to ascertain their employees' employment status?

The company asks for and collects I-9 forms, W-4, Social Security cards and a photo ID (generally a driving license).

Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

Yes  No

If No, please explain:

6. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current calendar year or during the three calendar years preceding the current one?

Yes  No

If the answer to this question is "Yes," briefly describe the nature of the inspection, the inspecting governmental entity and when the inspection occurred. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon the Company or Companies as a consequence:

7. Has any Company incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?

Yes  No

If the answer to this question is "Yes," quantify the liability and briefly describe its nature and refer to any governmental entities that have had regulatory contact with the Company in connection with the liability:

8. Are the practices of any Company now, or have they been at any time during the three calendar years preceding the current calendar year, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?

Yes  No

If the answer to this is "Yes," provide details. When answering this question, please consider "discrimination" to include sexual harassment.

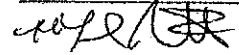
**Certification**

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above, and in any statement attached hereto, are true and correct.

Name of Applicant: Royal Recycling Services, Inc.

By: Printed Name of Signer: Michael Reali

Title of Signer: President

Signature: 

Date: 1/13/2010