

OCTOBER 31, 2012 DRAFT

PURCHASE AND SALE AGREEMENT

AGREEMENT, dated as of November __, 2012, by and between FINANCIAL TRUST COMPANY, INC. a U.S. Virgin Islands corporation having an office at 6100 Red Hook Quarter, B3, St. Thomas, USVI 00802 ("***Seller***"), and [LEON BLACK OR BLACK FAMILY PARTNERSHIP], a _____ having an office at 9 West 57th Street, 43rd Floor, New York, NY 10019 ("***Purchaser***").

RECITALS:

A. Seller is the holder of 13,350,205 shares of the Common Stock, \$0.001 par value (the "***ESWW Shares***"), of Environmental Solutions Worldwide, Inc., a Florida corporation ("***ESWW***").

B. Seller is a member of AP SHL Investors, LLC, a Delaware limited liability company ("***AP SHL***"). AP SHL is governed by that certain Limited Liability Company Agreement, dated as of December 20, 2001 (as the same may from time to time be amended, or amended and restated, and in effect, the "***AP SHL LLCA***"). John J. Hannan, is the Managing Member of AP SHL (the "***AP SHL Managing Member***").

C. Seller is a member in AP Technology Partners LLC, a Delaware limited liability company ("***AP Tech***"). AP Tech is governed by that certain Limited Liability Company Agreement, dated as of February 10, 2000 (as the same may from time to time be amended, or amended and restated, and in effect, the "***AP Tech LLCA***"). Andrew D. Africk, John J. Hannan, Mark J. Rowan, and Michael D. Weiner are the Managers of AP Tech (the "***AP Tech Managers***").

D. Seller's total interest in AP SHL consists of all of Seller's right, title and interest in and to Seller's entire 40% interest as a member of AP SHL, including, without limitation, Seller's rights to, and interest in, capital of AP SHL, and Seller's rights for periods commencing on and after the date hereof to distributions from AP SHL, as well as any and all of Seller's duties and obligations in respect of Seller's membership interest in AP SHL pursuant to the AP SHL LLCA (the "***AP SHL Interest***").

E. Seller's total interest in AP Tech consists of all of Seller's right, title and interest in and to Seller's entire 5.834262% interest as a member of AP Tech, including, without limitation, Seller's rights to, and interest in, capital of AP Tech, and Seller's rights for periods commencing on and after the date hereof to distributions from AP Tech, as well as any and all of Seller's duties and obligations in respect of Seller's membership interest in AP Tech pursuant to the AP Tech LLCA (the "***AP Tech Interest***"). Seller's AP SHL Interest and AP Tech Interest are referred to collectively as the "***AP Interests***"). The AP Interests and the ESWW shares are referred to collectively as the "***Purchased Interests***")

F. Seller and Purchaser desire to provide for the purchase by Purchaser from the Seller of the ESWW Shares and the AP Interests on the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

1. Definitions. The terms defined or referenced in Appendix A to this Agreement, whenever used herein, shall have the meanings set forth or referenced therein for all purposes of this Agreement.

2. Purchase and Sale. Subject to the terms and conditions set forth in this Agreement, Seller agrees to sell and assign to Purchaser, and Purchaser agrees to purchase from Seller, the Purchased Interests. Upon the sale of the AP Interests in accordance with this Agreement, Purchaser will be admitted as a member of AP SHL in substitution for Seller with respect to the AP SHL Interest and Purchaser will be admitted as a member of AP Tech in substitution for Seller with respect to the AP Tech Interest.

3. Purchase Price and Payment.

3.1 Purchase Price. The purchase price for the Purchased Interests shall be Fifteen Million Dollars (\$15,000,000) (the “**Purchase Price**”), consisting of (i) Six Million Four Hundred Ninety Four Thousand Six Hundred Seventy Three Dollars (\$6,494,673) for the ESWW Shares, (ii) Two Million Nine Hundred Thirteen Thousand Six Hundred Eighty Seven Dollars (\$2,913,687) for the AP SHL Interest, and (iii) Five Million Five Hundred Ninety One Thousand Six Hundred Forty Dollars (\$5,591,640) for the AP Tech Interest. The Purchase Price shall be payable by Purchaser to Seller on the Closing Date by wire transfer of immediately available funds to an account designated in writing by Seller to Purchaser.

3.2 Allocation of Purchase Price; Treatment and Reporting. The Purchase Price shall be allocated among the ESWW Shares, the AP SHL Interest and the AP Tech Interest as set forth in Section 3.1 above, and Seller and Purchaser shall not file any Tax Returns inconsistent with such allocation of the Purchase Price.

4. The Closing.

4.1 Closing. The closing of the sale and transfer of the Purchased Interests (the “**Closing**”) shall take place at the offices of _____, located at _____, on a Business Day (the “**Closing Date**”) mutually agreed to by Seller and Purchaser which, unless Seller and Purchaser otherwise agree, shall not be earlier than two (2) Business Days after the conditions set forth in Section 7 shall have been satisfied or shall have been waived by the appropriate Party or Parties, and shall not in any event be later than November __, 2012.

4.2 Closing Deliveries by Seller. Subject to the satisfaction, or the waiver by Seller, of the conditions set forth in Sections 7.1 and 7.3, at the Closing Seller shall take the following actions:

(a) Seller shall deliver to Purchaser certificates representing all of the ESWW

Shares, together with accompanying stock powers or instruments of assignment, duly endorsed for transfer, as to 13,198,711 of the ESWW Shares, and irrevocable instructions to Seller's broker to transfer to the Purchaser the remaining 151,494 ESWW Shares which are maintained in an account with Seller's broker;

(b) Seller shall execute and deliver to Purchaser an assignment and assumption agreement with respect to the AP SHL Interest in the form attached hereto as Exhibit B (the "**AP SHL Assignment**"); and

(c) Seller shall execute and deliver to Purchaser an assignment and assumption agreement in the form attached hereto as Exhibit C (the "**AP Tech Assignment**").

4.3 Closing Deliveries by Purchaser. Subject to the satisfaction, or the waiver by Purchaser, of the conditions set forth in Sections 7.1 and 7.2, at the Closing Purchaser shall take the following actions:

(a) Purchaser shall execute and deliver to Seller the AP SHL Assignment and the AP Tech Assignment;

(b) Purchaser shall deliver to Seller an original consent to the purchase and sale of the AP SHL Interest as required under the AP SHL LLCA in the form attached hereto as Exhibit D, signed by the AP SHL Managing Member (the "**AP SHL Consent**");

(c) Purchaser shall deliver to Seller an original consent to the purchase and sale of the AP Tech Interest as required under the AP Tech LLCA in the form attached hereto as Exhibit E, signed by that number of AP Tech Managers as is required under the AP Tech LLCA (the "**AP Tech Consent**"); and

(d) Purchaser shall pay the Purchase Price to Seller in the manner set forth in Section 3.1.

5. Representations and Warranties.

5.1 Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser that:

(a) Execution and Delivery. This Agreement has been duly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable against him in accordance with its terms, subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(b) Consents; No Conflicts, Etc. Subject to the satisfaction of all of the conditions in Section 7.1 including the receipt of the AP SHL Consent and the AP Tech Consent, neither the execution and delivery of this Agreement, the consummation by Seller of the transactions contemplated herein nor compliance by Seller with any of the provisions hereof will (with or without the giving of notice or the passage of time) (i) violate any order, writ, injunction or

decree, applicable to Seller, (ii) require the consent, approval, permission or other authorization of or by or filing or qualification with any Governmental Authority, except for such consents, approvals, permissions, authorizations, and receipts of filings or qualifications, the failure of which to obtain prior to the Closing, would not adversely affect Seller's ability to consummate the transactions contemplated by this Agreement, or (iii) conflict with, violate, result in a breach of or constitute a default under (without regard to requirements of notice, lapse of time, or elections of other Persons, or any combination thereof), any instrument or agreement to which Seller is a party.

(c) Seller's Interests. Upon consummation of the transactions contemplated hereby at the Closing, Seller shall have assigned to Purchaser all of Seller's interest in the AP SHL Interest and all of Seller's interest in the AP Tech Interest. Seller owns the AP Interests free and clear of all Encumbrances, except for those arising under the AP SHL LLCA and the AP Tech LLCA.

5.2 Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller that:

(a) Execution and Delivery. This Agreement has been duly executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with its terms, subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(b) Consents; No Conflicts, Etc. Subject to the satisfaction of all of the conditions in Section 7.1 including the receipt of the AP SHL Consent and the AP Tech Consent, neither the execution and delivery of this Agreement, the consummation by Purchaser of the transactions contemplated herein nor compliance by Purchaser with any of the provisions hereof will (with or without the giving of notice or the passage of time) (i) violate any order, writ, injunction or decree applicable to Purchaser, (ii) require the consent, approval, permission or other authorization of or by or filing or qualification with any Governmental Authority, except for such consents, approvals, permissions, authorizations, and receipts of filings or qualifications, the failure of which to obtain prior to the Closing, would not adversely affect Purchaser's ability to consummate the transactions contemplated by this Agreement, or (iii) conflict with, violate, result in a breach of or constitute a default under (without regard to requirements of notice, lapse of time, or elections of other Persons, or any combination thereof), any instrument or agreement to which Purchaser is a party.

(c) Qualification of Purchaser. Purchaser is an "accredited investor" as defined in Rule 501(a) promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"), and is a "qualified purchaser" as defined in Section 2(a) of the Investment Company Act of 1940, as amended. Purchaser is acquiring the Purchased Interests for investment and not with a view to the distribution of all or any portion thereof within the meaning of the Securities Act. Purchaser acknowledges that none of the Purchased Interests has been registered under the Securities Act or state securities laws and agrees that he will not sell all or any portion of the Purchased Interests in violation of any applicable securities laws.

(d) Disclaimer; No Reliance. Purchaser acknowledges, represents and warrants that Purchaser is not, and will not be, relying on any information, representations or warranties furnished or made by Seller or any of Seller's representatives or agents as to any matter whatsoever (other than as expressly stated herein) concerning any of the Purchased Interests and/or the legal status, good standing, organizational documents (or interpretation or effect thereof), business, history, prospects, assets, liabilities, financial condition, operations or value of any of ESWW, AP SHL, AP Tech, or any of their Affiliates, and in entering into this Agreement and in purchasing the Purchased Interests as contemplated hereby at the Closing, Purchaser is not, and will not be, relying upon any representations or warranties of Seller whatsoever, except for Seller's representations expressly set forth in Section 5.1 hereof. Purchaser further acknowledges, represents, warrants and covenants that Purchaser has had complete access to any and all information, facts and personnel connected with ESWW, AP SHL and AP Tech that Purchaser deems necessary or relevant, and that Purchaser has conducted its own independent investigation into and analysis of the value of the Purchased Interests and whatever facts Purchaser deems necessary or relevant, for deciding whether to purchase the Purchased Interests and what price Purchaser is willing to pay therefor, and that in entering into this Agreement and in engaging in the transactions contemplated hereby, Purchaser is and will be relying solely on Purchaser's own independent investigation, analysis and due diligence and on representations, warranties, information and documents made or furnished to Purchaser by or on behalf of ESWW, AP SHL, AP Tech, ESWW's officers, directors, employees and agents, the AP SHL Managing Member, and the officers, employees and agents of AP SHL, and the AP Tech Managers and the officers, employees and agents of AP Tech (collectively, the "***Purchased Interests Representatives***"), and Purchaser acknowledges and agrees that neither Seller nor any of Seller's representatives or agents is responsible for any such representations, warranties, information or documents and that Purchaser shall not seek to hold any of them responsible or liable in any way in connection with any such representations, warranties, information or documents made or furnished by or on behalf of the Purchased Interests Representatives. Purchaser acknowledges that it is a sophisticated investor with a long standing business relationship with the Purchased Interests Representatives and, as such, is familiar with the legal status, good standing, organizational documents (or interpretation or effect thereof), business, history, prospects, assets, liabilities, financial condition, management, operations and value of each of ESWW, AP SHL, AP Tech.

5.3 Survival of Representations and Warranties. The representations and warranties of the Parties contained in this Agreement or in any instrument delivered pursuant hereto shall survive the Closing Date.

6. Covenants.

6.1 Consents. The Parties acknowledge that the consummation of the purchase and sale of the AP SHL Interest contemplated by this Agreement will require the AP SHL Consent, and the consummation of the purchase and sale of the AP Tech Interest contemplated by this Agreement will require the AP Tech Consent. Purchaser shall obtain the AP SHL Consent and the AP Tech Consent and deliver an original thereof to Seller at the Closing.

6.2 Indemnification for Certain Post-Closing Liabilities. In the event that the Closing occurs, then thereafter Purchaser shall indemnify and hold harmless the Seller from and against

any and all Damages (as defined below) suffered or incurred by Seller on account of, or in connection with, (i) any claim against Seller by AP SHL or any other Person resulting from or arising with respect to any action or inaction by Purchaser in his capacity as a member of AP SHL or as the owner of the AP SHL Interest, and (ii) any claim against Seller by AP Tech or any other Person resulting from or arising with respect to any action or inaction by Purchaser in his capacity as a member of AP Tech or as the owner of the AP Tech Interest.

7. Conditions to Closing; Termination.

7.1 Condition to Each Party's Obligation to Close. The respective obligations of the Parties to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, or waiver by each Party in writing, on or before the Closing Date of the following conditions:

(a) Injunctions. There shall not be outstanding any injunction, decree or order of any court or governmental department or agency prohibiting the consummation of the transactions contemplated by this Agreement.

(b) No Change in Law. There shall not have been any action taken or any statute enacted by any Governmental Authority which would render the Parties unable to consummate the transactions contemplated hereby or make the transactions contemplated hereby illegal or prohibit the consummation of the transactions contemplated hereby.

(c) Consents. The AP SHL Managing Member shall have executed and delivered the AP SHL Consent to each of Seller and Purchaser, those of the AP Tech Managers as are required under the provisions of the AP Tech LLCA shall have executed and delivered counterparts of the AP Tech Consent to each of Seller and Purchaser.

7.2 Conditions to Purchaser's Obligation to Close. The obligation of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, or the waiver in writing by Purchaser, on or prior to the Closing Date, of the following conditions:

(a) Representations and Warranties True at the Closing Date. The representations and warranties of Seller contained in this Agreement shall be deemed to have been made at and as of the Closing Date and shall be true and correct in all material respects at and as of the Closing Date.

(b) Seller's Performance. Each obligation of Seller to be performed on or before the Closing Date pursuant to the terms of this Agreement, including Seller's taking all of the actions required under Section 4.2 hereof, shall have been duly performed at or before the Closing, in all material respects.

7.3 Conditions to Seller's Obligation to Close. The obligations of Seller to consummate the transactions contemplated hereby shall be subject to the fulfillment, or the waiver in writing by Seller, on or prior to the Closing Date, of the following conditions:

(a) Representations and Warranties True at the Closing Date. The representations and warranties of Purchaser contained in this Agreement shall be deemed to have been made at and as of the Closing Date and shall be true and correct in all material respects at and as of the Closing Date.

(b) Purchaser's Performance. Each obligation of Purchaser to be performed on or before the Closing Date under the terms of this Agreement including Purchaser's taking all of the actions required under Section 4.3 hereof, shall have been duly performed at or before the Closing, in all material respects.

8. Miscellaneous.

8.1 Notices. All notices, elections, consents, approvals, demands, objections, requests or other communications which any Party hereto may be required or desire to give to the other Party hereto must be in writing and sent by (i) first class U.S. certified or registered mail, return receipt requested, with postage prepaid, (ii) telecopy, facsimile or email (with a copy sent by first class U.S. certified or registered mail, return receipt requested, with postage prepaid), or (iii) express mail or courier (for either same day or next Business Day delivery). A notice or other communication sent in compliance with the provisions of this Section 8.1 shall be deemed given and received on (a) the third (3rd) Business Day following the date it is deposited in the U.S. mail, (b) the date of confirmed dispatch if sent by facsimile, telecopy or email (provided that a copy thereof is sent by mail the same day in the manner provided in clause (ii) above), or (c) the date it is delivered to the other Party's address if sent by express mail or courier. The addresses for the Parties are as follows:

All notices and other communications to Seller shall be addressed to such Party at the following address:

Financial Trust Company, Inc.
6100 Red Hook Quarter, B3
St. Thomas, USVI 00802
Facsimile No.: [REDACTED]
email: [REDACTED]
Attention: Mr. Jeffrey E. Epstein, President

with a copy to (which shall not constitute notice to Seller):

Darren K. Indyke, Esq.
Darren K. Indyke, PLLC
575 Lexington Avenue, 4th Floor
New York, NY 10022
Facsimile No.: [REDACTED]
email: [REDACTED]

All notices and other communications to Purchaser shall be addressed to such Party at the following address:

[BLACK FAMILY PARTNERSHIP]
c/o Apollo Management
9 West 57th Street, 43rd Floor
New York, NY 10019
Facsimile No.: [REDACTED]
email: [REDACTED]

Attention: Mr. Leon Black, **[INSERT TITLE]**

with a copy to (which shall not constitute notice to Purchaser):

[INSERT NAME OF COUNSEL]
[INSERT NAME OF FIRM]
[INSERT ADDRESS OF FIRM]
[INSERT FAX OF COUNSEL]
[INSERT EMAIL OF COUNSEL]

Any Party may designate another addressee or change its address for notices and other communications hereunder by a notice given to the other Party in the manner provided in this Section 8.1.

8.2 Successors and Assigns. This Agreement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of each of the Parties hereto, and their legal representatives, successors and permitted assigns.

8.3 Effect and Interpretation. This Agreement shall be governed by and construed in conformity with the laws of the State of New York, without reference to conflicts or choice of law principles.

8.4 Amendments. Except as otherwise provided herein, this Agreement may not be changed, modified, supplemented or terminated, except by an instrument executed by the Party hereto which is or will be affected by the terms of such change, modification, supplement or termination.

8.5 Waiver. No waiver by any Party hereto of any failure or refusal by any other Party hereto to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply. Any Party hereto may waive compliance by any other with respect to any of the other's agreements or obligations set forth herein. All such waivers shall be in writing signed by the Party hereto to be charged therewith.

8.6 Severability. If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held invalid by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those to which it is held invalid by such court, shall not be affected thereby.

8.7 Headings; Usage. The headings, titles and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof. Unless the context of this Agreement otherwise requires (i) words of any gender are deemed to include each other gender, (ii) words using singular or plural number also include the plural or singular, respectively, (iii) the terms "hereof", "herein", "hereby", "hereto", and derivative or similar words refer to this entire Agreement, (iv) all references to dollars or "\$" shall be to United States dollars, and (v) all accounting terms used herein shall have the meanings assigned to them under GAAP unless another meaning is specified herein. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

8.8 No Third Party Beneficiaries. Except as expressly provided herein, Persons who are not parties to this Agreement shall have no rights or privileges (whether as a third party beneficiary or otherwise) under or by virtue of this Agreement.

8.9 Business Days. In the event that any of the dates specified in this Agreement shall fall on a Saturday, Sunday, or a holiday recognized by the State of New York, then the date of such action shall be deemed to be extended to the next Business Day.

8.10 Expenses. Each Party shall be liable for its own costs and expenses incurred in connection with the negotiation, preparation execution and performance of this Agreement and the transactions contemplated hereby, including all fees of legal counsel, auditors and financial advisors; provided, however that a breaching Party hereto shall be liable for such costs and expenses of the other Party hereto in the event it becomes necessary for the non-breaching party to enforce this Agreement. Any stamp taxes, sales taxes, transfer taxes, recording taxes, filing fees and similar taxes, fees or charges in connection with the assignment of the Purchased Interests pursuant to this Agreement shall be borne by Purchaser.

8.11 Entire Agreement. This Agreement together with all documents and instruments executed or to be executed and delivered in connection with the Closing contemplated herein and in such other agreements, constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements and negotiations.

8.12 Construction. Each of the Parties hereto acknowledges that it was represented by counsel of its choice in connection with the negotiation of this Agreement and the transactions contemplated hereby, and the Parties agree that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any documents executed and delivered pursuant hereto. Instead, the language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties hereto.

8.13 Further Assurances. Each Party shall execute and deliver to the other Party such further documents and instruments as may be reasonably requested by the other Party in order to effectuate the intent of this Agreement and to obtain the full benefit of this Agreement. Any request by a Party under this Section 8.13 shall be accompanied by the document proposed for signature by the Party requesting it for review by the Party of whom such document is requested and its attorneys. The Party making the request shall bear and discharge any fees or expenses incident to the preparation, filing or recording of the document requested pursuant to this Section 8.13.

8.14 Assignment. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party hereto.

8.15 Nature of Relationship. The relationship between Seller and Purchaser hereunder or contemplated by this Agreement is solely that of seller and purchaser and nothing herein is intended to create or constitute a joint venture or partnership of any kind between Seller and Purchaser or to constitute either Party as an agent of the other Party.

9.16 Counterparts; Delivery. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by the other Party to this Agreement attached thereto. This Agreement may be executed and delivered by delivery of a facsimile copy of an executed signature page or counterpart or by e-mailing a PDF version of a signed signature page or counterpart, and each shall have the same force and effect as the delivery of an originally executed signature page or counterpart.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

SELLER:

FINANCIAL TRUST COMPANY, INC.

By: _____
Jeffrey E. Epstein
President

PURCHASER:

[BLACK FAMILY PARTNERSHIP]

By: _____
Leon Black
[TITLE OF SIGNATORY]

APPENDIX A

Definitions

(a) Defined Terms. The following terms shall have the respective meanings ascribed to them below:

"Affiliate" of a specified Person means any Person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common control with the Person specified.

"Agreement" means this Agreement as it may from time to time be amended, or amended and restated, and in effect.

"Business Day" means each day which is neither a Saturday, a Sunday nor any other day on which banking institutions in New York are authorized or obligated by law or required by executive order to be closed.

"Constituent Instruments" means the certificate of incorporation and by-laws of a corporation; the certificate of limited partnership or formation and agreement of limited partnership of a limited partnership; the partnership agreement of a general partnership; the certificate of formation and limited liability company agreement or comparable agreement of a limited liability company; the comparable instruments for any other entity; any amendments to any of the foregoing and any supplementary agreements that affect or specify the rights of any partners, members or other equity holders of any such entity.

"Control" or "Controlled" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise. For purposes of this definition, a general partner, managing member or non-member manager of a Person shall always be considered to Control such Person.

"Damages" means any actual loss, liability (including, but not limited to, any tax liability), claim, action or cause of action, damage, assessment, judgment, cost or out-of-pocket expense (including but not limited to reasonable attorneys' fees and expenses).

"Encumbrances" means all liens, pledges, security interests, community property rights, charges, encumbrances, equities, claims, options and other restrictions.

"GAAP" means U.S. generally accepted accounting principles as in effect from time to time applied consistently throughout the periods involved.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administration functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of the United States, any self-

regulatory organization, any foreign government, any State of the United States or any political subdivision thereof, and any court, tribunal, mediator(s) or arbitrator(s) of competent jurisdiction.

"Party" means any of Seller or Purchaser.

"Person" means any individual, partnership, limited liability company, joint venture, corporation, trust, association, unincorporated organization or Governmental Authority or other entity of any kind.

"Tax" or "Taxes" means all federal, state, local and foreign taxes, charges, fees, imposts, levies or other assessments, including without limitation all income, profits, franchise, receipts, capital, sales, use, withholding, alternative minimum, *ad valorem*, inventory, payroll, employment, social security, unemployment, customs duties, value added, property, transfer, severance, excise and other similar taxes and governmental charges, including related interest, penalties, fines and additions to tax.

"Tax Return" means any return, report, declaration, information return or other document required to be filed with any Governmental Authority with respect to Taxes, including any amendments thereof.

(b) Cross-References. In addition to the terms set forth in the preceding section, the following terms are defined in the text of this Agreement in the locations specified below:

<u>Defined Term</u>	<u>Cross-Reference</u>
AP Interests	<i>Recitals</i>
AP SHL	<i>Recitals</i>
AP SHL Assignment	<i>Section 4.2</i>
AP SHL Consent	<i>Section 4.3</i>
AP SHL Interest	<i>Recitals</i>
AP SHL LLCA	<i>Recitals</i>
AP SHL Managing Member	<i>Recitals</i>
AP Tech	<i>Recitals</i>
AP Tech Assignment	<i>Section 4.2</i>
AP Tech Consent	<i>Section 4.3</i>
AP Tech Interest	<i>Recitals</i>
AP Tech LLCA	<i>Recitals</i>
AP Tech Managers	<i>Recitals</i>
Closing	<i>Section 4.1</i>
Closing Date	<i>Section 4.1</i>
ESWW	<i>Recitals</i>
ESWW Shares	<i>Recitals</i>
Purchased Interests	
Purchased Interests Representatives	<i>Section 5.2</i>
Purchase Price	<i>Section 3.1</i>

Purchaser
Securities Act
Seller

Preamble
Section 5.2
Preamble

EXHIBIT B
THE AP SHL ASSIGNMENT

[SEE ATTACHED]

EXHIBIT C
THE AP TECH ASSIGNMENT

[SEE ATTACHED]

EXHIBIT D
THE AP SHL CONSENT
[SEE ATTACHED]

EXHIBIT E
THE AP TECH CONSENT
[SEE ATTACHED]