

Modular Carpet Recycling, LLC (MCR)



An introduction to a **green, recycling,
renewable resources business**

*This document is for information purposes only and
is not intended as a solicitation to sell or buy any
security.*

MCR Confidential Information



Introduction.....

Ron Simonetti
CEO and Founder MCR, LLC

20 years Industry experience
recycling foam/carpet, chemicals, plastics, franchise,
management, international business

Global supply chain consultant, Foamex Carpet Cushion,
ChemConnect.com, GE Plastics, DuPont

B.S. Chemical Engineering West Virginia
MBA Drexel



Company History.....

- Recycling – foam and carpet - WTE
- CARE 2007 - technology
- MCR was incorporated in June 2007
- MCR exclusively licensed Auburn University patent (US Patent 5,994,417) for recovering polymers from commingled materials July 2007
- Initiated process engineering December 2007
- Funded business with private equity June 2008
- Developed complimentary IP and pending patents Q4
- Pilot plant completed May 2009
- First commercial plant July – Sept. 2009

Waste Carpet: Problem, Opportunity, Solution

- MCR Mission Statement

To become the **leading company** in **carpet recycling** solutions to provide plants using **patented clean technology** for efficient **regional processing** of used carpets and **market channels** for recovered products.



- Our Products

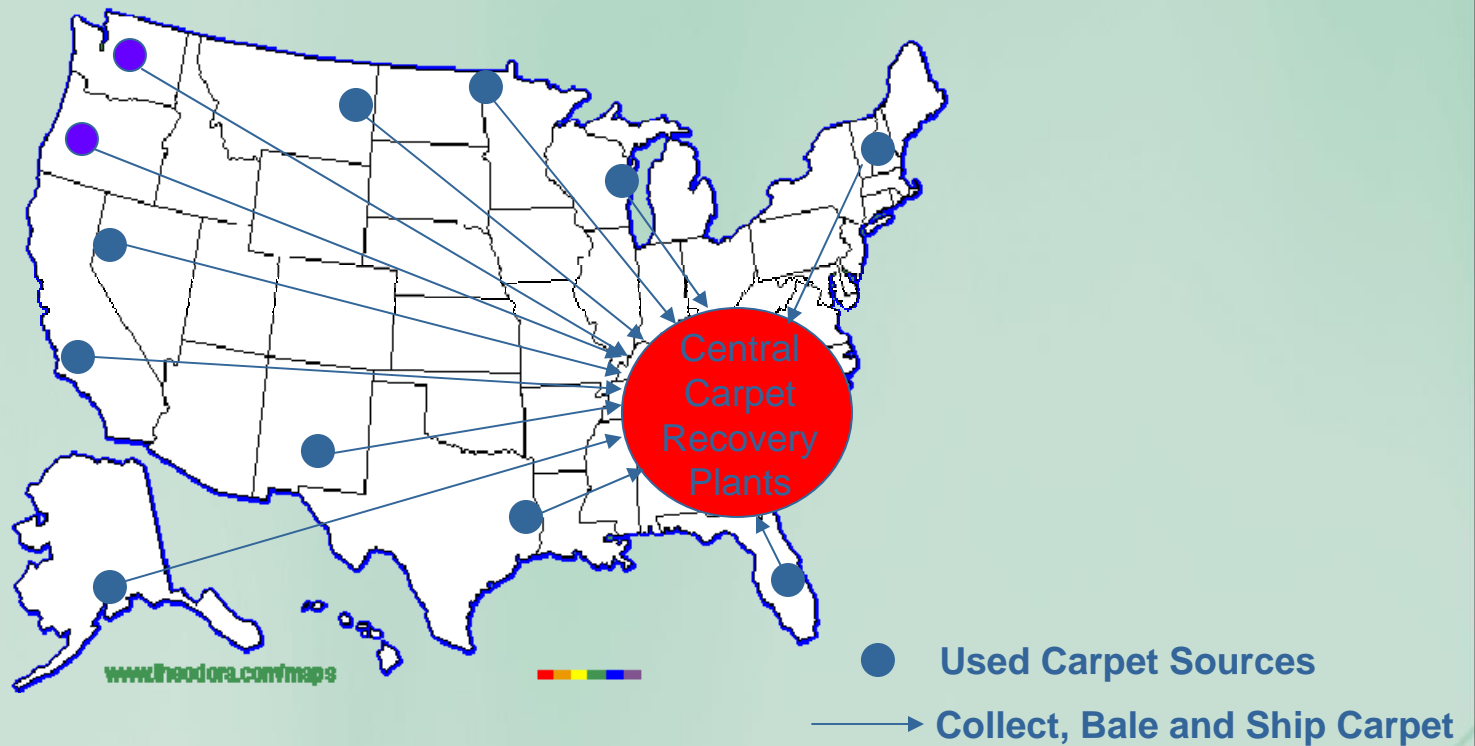
- Renewlon™ - recycled nylon
- Renewlene™ - recycled pp from backing/carpet
- Renewtex™ - recycled backing

- The MCR Solution: Long-term goals

- Build, operate and partner to run 10-20 plants
- Recycle 1 billion PPY nylon carpet avoiding landfill
- 20% diversion of US carpet and 10% globally



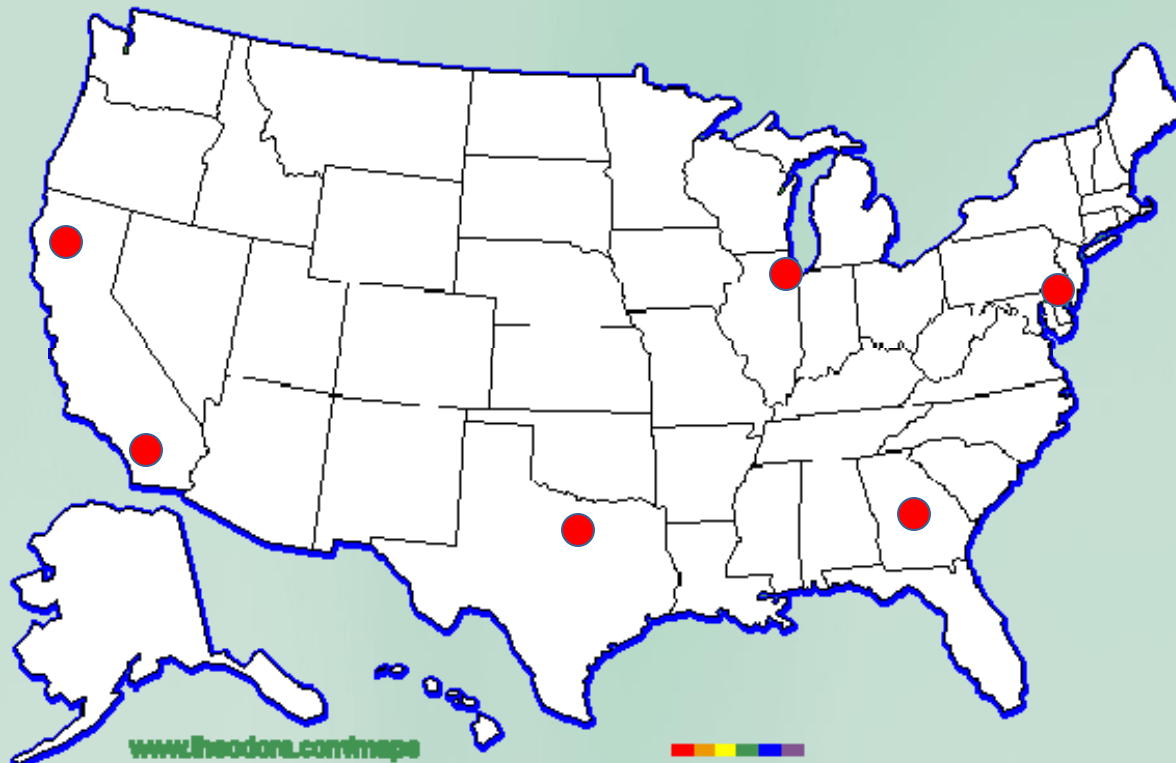
Current status of waste carpet recycling Competitive Offerings



***ONLY RECYCLING 300 MILLION PPY INDUSTRY WIDE
LESS THAN 10% OF DISCARDS!***

WHY so low vs. 25% Bottles, Al cans 60%?????

How MCR will change the Industry?



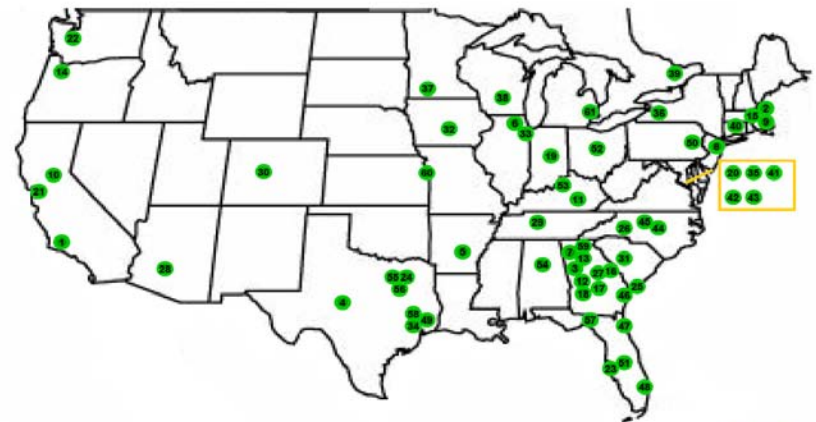
Regional Recovery Plants near large metropolitan areas

Waste Carpet Supply Chain

- Value Proposition
 - Buying separated baled material
 - No significant outlets for nylon 6,6
 - Current market imbalance with large amounts of nylon 6 going to Shaw
- Supplier Targets
 - CARE Reclamation Network
 - Plastic Recyclers

 CARPET AMERICA RECOVERY EFFORT™

CARE Reclamation Network 

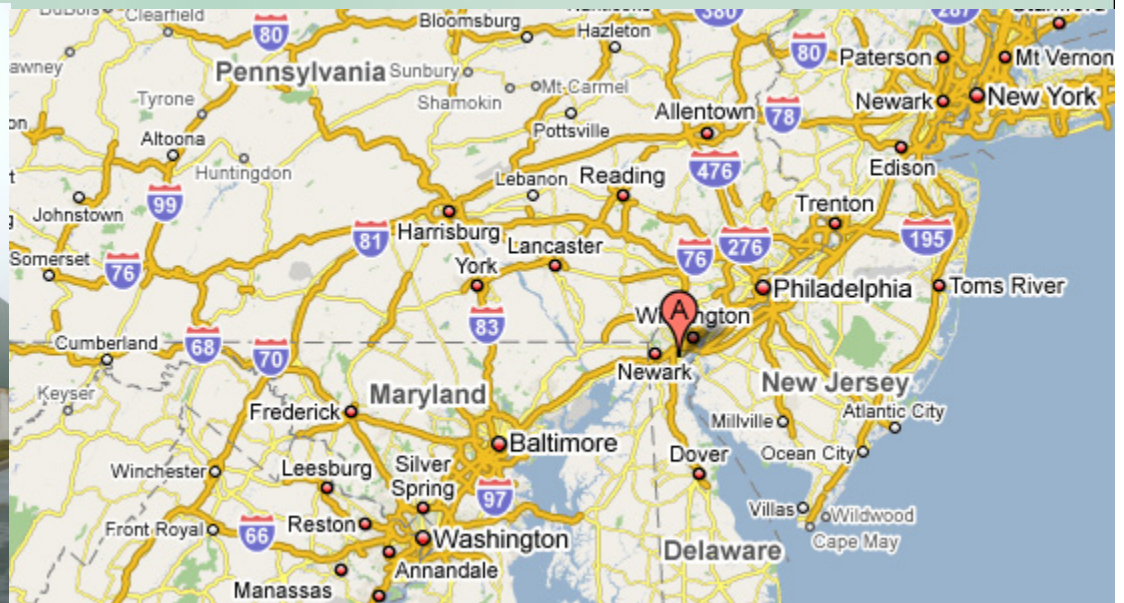


As of 3/6/08

**Utilize existing CARE network
collecting, identifying, baling, shipping and selling used carpet**

Targeted HQ and Initial Operations Delaware Valley

- 30,000,000 consumers within 150 mile radius
- Consuming 500,000,000 lbs of carpet per year – 10% of total
- Limited carpet recycling solutions in the region
- Great supply base north and south
- Can reach fiber, carpet and plastic customers



MCR Process

Waste Carpet to Pellet (WTP)



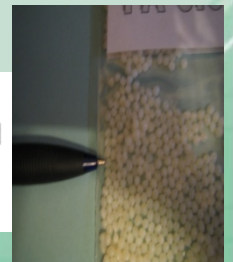
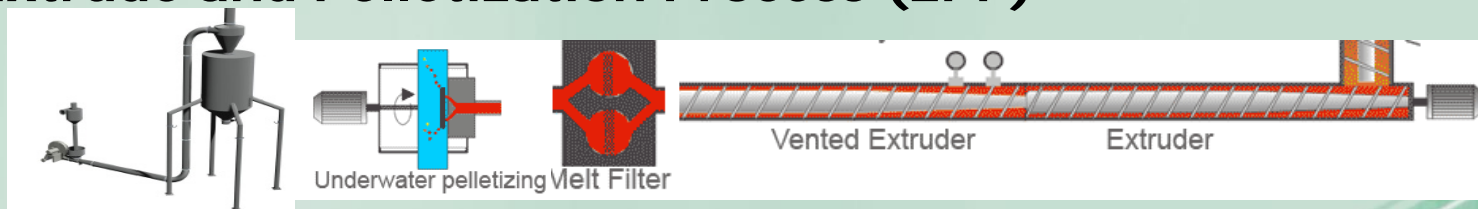
- Mechanical Purification Process (MPP)



- Fine Chemical Purification Process (FCPP) – Patented technology



- Extrude and Pelletization Process (EPP)





MCR Process Product Data DSC



MCR Renewlon™ 6 and 6,6 Comparative Data

Physical Property	MCR Renewlon™ 6	BASF B27 Control	BASF B27 Reported
Melting Point Glass Transition by DSC, ASTM D3418	219.4 C	220.8 C	220 C
Physical Property	MCR Renewlon™ 6,6	BASF A27 Control	BASF A27 Reported
Melting Point Glass Transition by DSC, ASTM D3418	256.3 C	260.5 C	260 C

***INDEPENDENT LAB CONFIRMED NO SIGNIFICANT
DIFFERENCE IN MELTING POINTS***

Thermogravimetric (TGA) Scan



Chart 3: MCR-14 is Renewlon™ 6.6 sample and Control

TGA Scan for Virgin BASF Nylon 6.6 Pellets

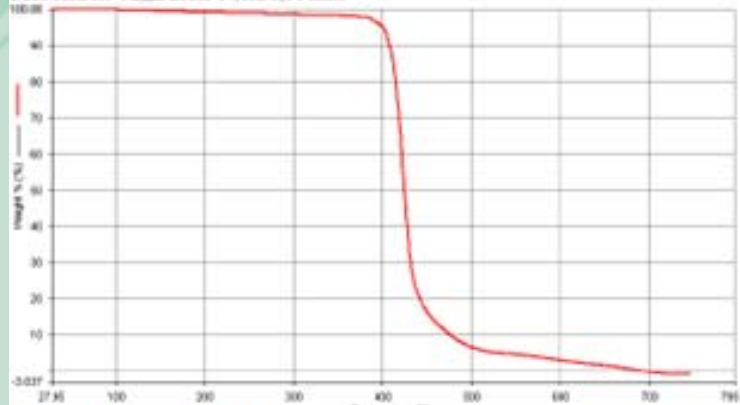
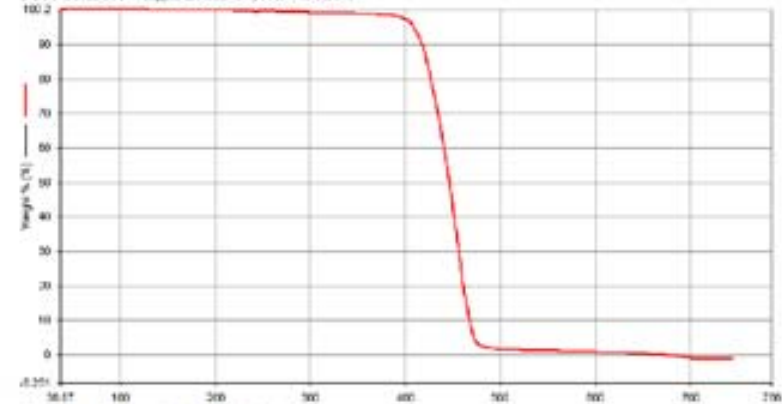
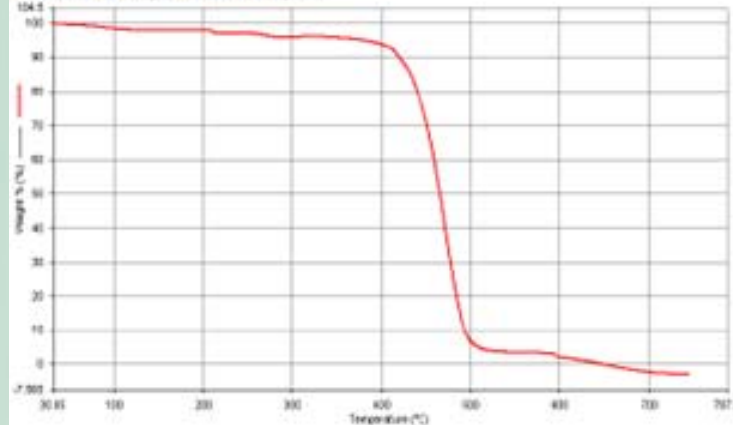


Chart 4: MCR-15 is Renewlon™ 6 sample and control

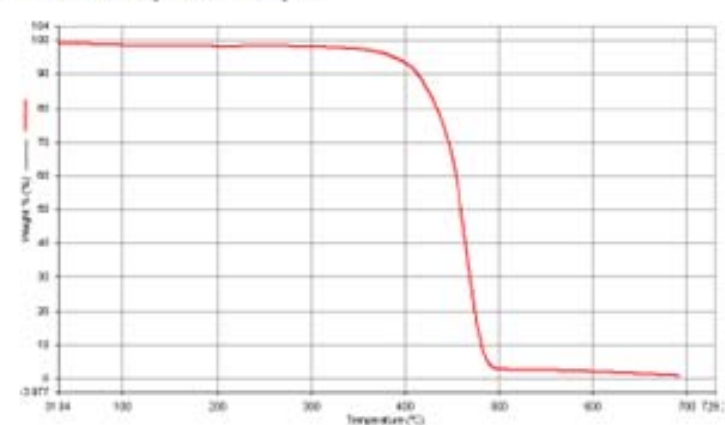
TGA Scan for Virgin BASF Nylon 6 Pellets



TGA Scan for Sample MCR-14 Precipitate



TGA Scan for Sample MCR-15 Precipitate



INDEPENDENT LAB CONFIRMED NO SIGNIFICANT CONTAMINATION PRESENT AND SIMILAR WEIGHT LOSS

Gel Permeation Chromatography (GPC) Overlay Scans

Chart 1: MCR-6 is Renewlon™ 6,6 sample and Control

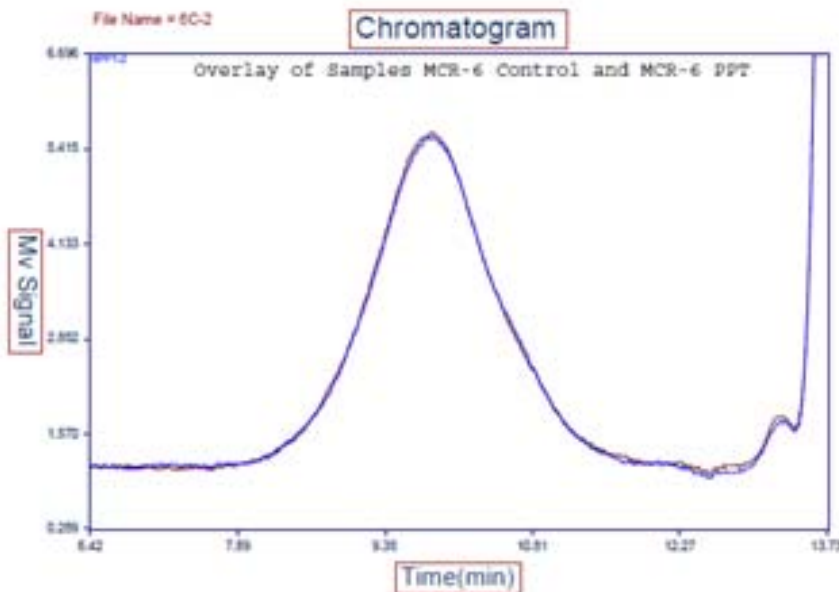
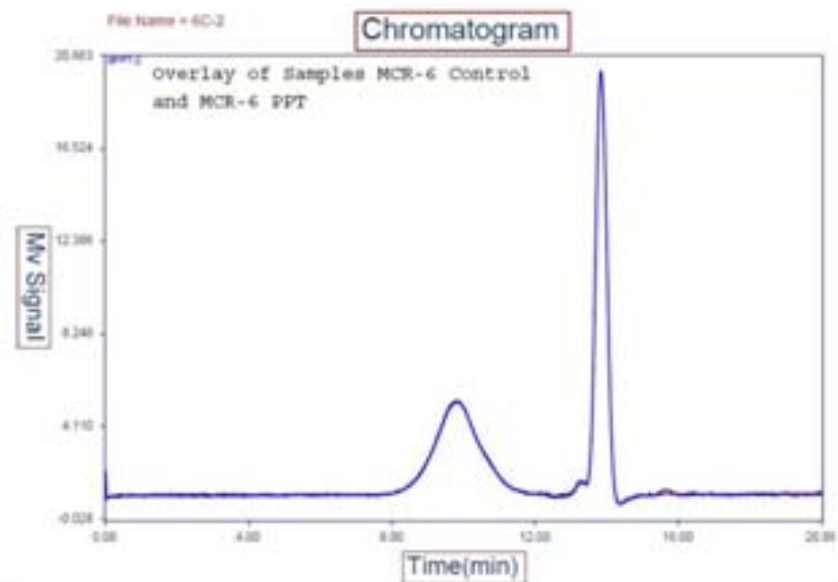


Chart 2: MCR-4 is Renewlon™ 6 sample and control

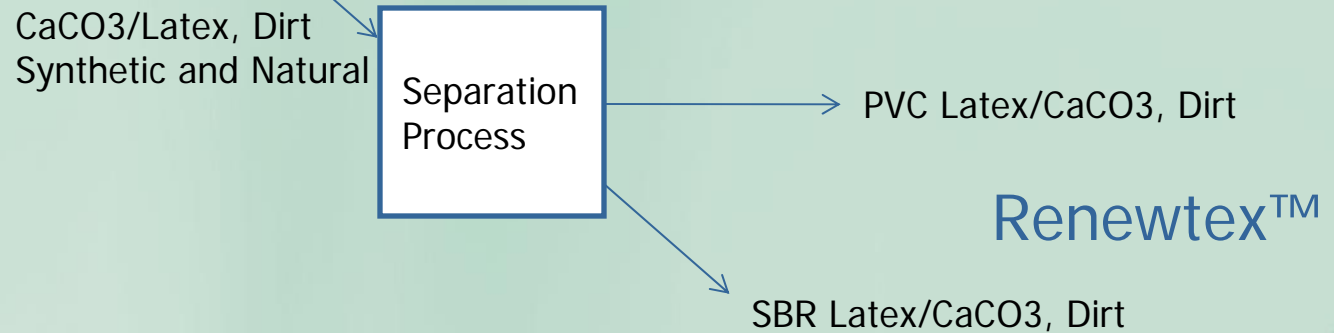
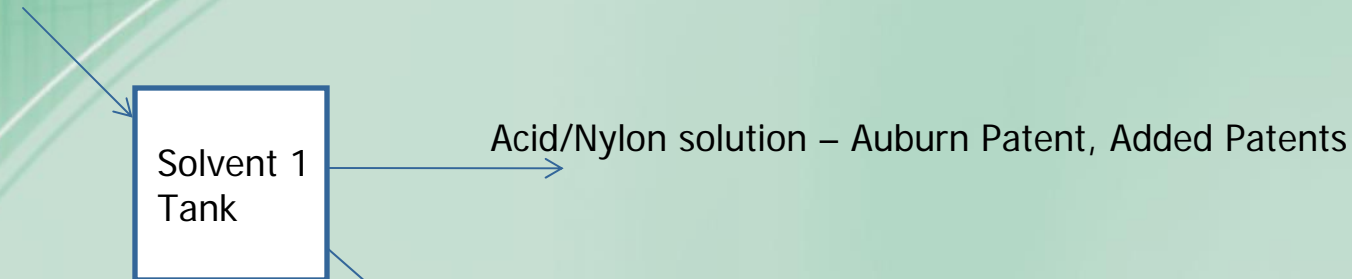


***INDEPENDENT LAB CONFIRMED VIRTUALLY IDENTICAL
MOLECULAR WEIGHT SCANS VS. VIRGIN NYLON***



The Future.....

Mechanically Processed nylon carpet



***PATENT PORTFOLIO AND CUSTOMER STRATEGY DRIVE
COMPANY VALUE AND ZERO WASTE***