

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Attis Industries Inc.

Form: 8-K

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) June 12, 2018

ATTIS INDUSTRIES INC.

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction
of incorporation)

001-13984

(Commission File Number)

13-3832215

(IRS Employer
Identification No.)

12540 Broadwell Road, Suite 2104

Milton, GA 30004

(Address of principal executive offices, including Zip Code)

(678) 580-5661

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Attis Industries Inc. (the "Company"), has agreed to the terms of a First Amendment to Second Amended and Restated Credit and Guaranty Agreement (the "First Amendment") dated June 18, 2018, by and among Meridian Waste Operations, Inc. ("Operations"), Mobile Science Technologies, Inc. ("Mobile"), Attis Healthcare, LLC ("Healthcare"), Integrity Lab Solutions, LLC, ("Integrity"), Red X Medical LLC ("Red X"), Wellness Benefits, LLC ("Wellness"), LGMG, LLC ("LGMG"), Attis Innovations, LLC ("Attis Innovations"), Advanced Lignin Biocomposites LLC ("Advanced Lignin"), Attis Envicare Medical Waste, LLC ("Envicare"), Attis Genetics, LLC ("Genetics"), Attis Federal Labs, LLC ("Federal Labs") and Attis Commercial Labs, LLC ("Commercial Labs") and together with the Operations, Mobile, Healthcare, Integrity, Red X, Wellness, LGMG, Attis Innovations, and Advanced Lignin, Envicare, Genetics and Federal Labs, the "Credit Companies"), the Company and certain subsidiaries of the Company, as guarantors, the lenders party thereto from time to time and Goldman Sachs Specialty Lending Group, L.P., as Administrative Agent, Collateral Agent, and Lead Arranger ("GSSSLG"). Under the terms of the First Amendment, among other things, the parties have agreed: (i) to extend the date for satisfaction of certain post-closing covenants under the terms of the Second Amended and Restated Credit and Guaranty Agreement, dated April 20, 2018, by and among the parties (the "Credit Agreement"), to June 30, 2018; (ii) extend the date for delivery of certain financial statements for the months of March 2018 and April 2018 to July 14, 2018; (iii) subject to certain conditions, extend the date for payment of certain payments from June 30, 2018 to August 31, 2018; (iv) waive the events of default that have occurred and were continuing due to failure of the Company and the Credit Companies to (a) pay interest in the aggregate amount of \$473,947.52 for the month ending May 31, 2018, provided that such interest shall be paid in kind by adding such amount to the outstanding principal amount of the loan, (b) timely make the interest payment of \$22,383.30 for the period from April 20, 2018 through April 30, 2018; (c) cause certain real estate assets to be subject to a mortgage to secure the obligations and otherwise satisfy its obligations with respect to such real estate assets on or before May 20, 2018, (d) cause certain bank accounts to become controlled accounts on or before May 20, 2018, (e) deliver to the administrative agent the consolidated and consolidating balance sheet of the Company and its subsidiaries as at the end of March 2018 and the related consolidated and consolidating statements of income, consolidated statements of stockholders' equity and consolidated statements of cash flows of the Company and its subsidiaries for March 2018; (f) comply with certain requirements to add newly acquired subsidiaries as "Credit Parties"; (v) an aggregate amount equal to \$473,947.52, representing interest accrued but unpaid through May 31, 2018, will be paid in kind by adding the amount of such accrued interest to the outstanding principal amount of the term loan issued under the Credit Agreement; (vi) pay to GSSSLG, solely for its own account, an amendment fee in an amount of \$200,000, *provided* that such fee will be fully earned and payable in full on January 1, 2019, *provided, however*, that such fee shall be waived if all guaranteed obligations under the Credit Agreement have been indefeasibly paid in full in cash on or prior to December 31, 2018; (vii) if, on or before August 14, 2018, the Company or the Credit Companies pay the lenders an amount equal to \$6 million plus certain fees, the Company and the Credit Companies will be released from any obligation to pay any additional principal amounts under the Credit Agreement and the lenders, the administrative agent and the collateral agent shall release all liens and security interest securing such obligations; and (viii) on or prior to June 30, 2018, the Company and the Credit Companies will cause each of CleanTech Corporation, FLUX Carbon LLC, Noveda Technologies, Inc., Genarex FD LLC to join the Credit Agreement and other credit documents as a "Credit Party" and satisfy the requirements of Section 5.10 of the Credit Agreement.

The execution of the First Amendment was prompted by the Company's receipt from GSSSLG of a letter dated June 12, 2018 regarding Notice of Default and Reservation of Rights (the "Reservation of Rights Letter"). The Reservation of Rights Letter advised the Company and the Credit Companies that they are in default under provisions of the Credit Agreement relating to (i) payment of interest under Section 2.7(e) of the Credit Agreement, (ii) compliance with post-closing covenants under Section 5.15 of the Credit Agreement, (iii) failure of the Company and the Credit Companies to deliver financial statements for the month of March 2018 under Section 5.1(a), and (iv) failure to comply with certain requirements of Sections 5.15 and 6.7 of the Credit Agreement. Subject to entering into the First Amendment, the Reservation of Rights Letter also advised that GSSSLG has not waived the events of default and reserves all rights and remedies as a result thereof. Those remedies include, under the Credit Agreement, the right to accelerate and declare due and immediately payable the principal and accrued interest on all loans outstanding under the Credit Agreement. In addition, as a result of the events of default, the Company and the Credit Companies are prohibited from (a) making any permitted acquisitions under the Credit Agreement, (b) requesting that any loan be continued as or converted into a LIBOR Rate Loan (as defined in the Credit Agreement), and (c) the outstanding principal amount of the loans under the Credit Agreement is accruing interest at the default rate from the date of the first event of default, subject to demand for payment of such interest at the default rate by GSSSLG or the lenders.

In connection with the Credit Agreement, the Company and the Credit Companies and all of its subsidiaries entered into a security agreement with GSSLG, pursuant to which the Company and the Credit Companies encumbered substantially all their assets for the benefit of the secured parties, as collateral security for the payment and performance of their obligations under the Credit Agreement. The encumbered assets include substantially all tangible and intangible assets of the Company and the Credit Companies including, without limitation, substantially all accounts receivable, inventory, equipment, real estate and equity securities of the Company's direct and indirect subsidiaries. In the Reservation of Rights Letter, GSSLG reserved its right to foreclose or otherwise realize on any or all of the collateral under the security agreement or as appropriate, set-off or apply to the payment of any or all of the obligations under the Credit Agreement, any or all of the collateral.

The above descriptions of the First Amendment and Reservation of the Rights Letter do not purport to be complete and are qualified in their entirety by the full text of the applicable documents themselves, which are filed as Exhibit 10.1 and 99.1 hereto, and are incorporated herein by reference.

Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.04.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	First Amendment to Second Amended and Restated Credit and Guaranty Agreement
99.1	Notice of Events of Default; Reservation of Rights

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATTIS INDUSTRIES INC.

Date: June 18, 2018

By: /s/ Jeffrey Cosman

Name: Jeffrey Cosman

Title: Chief Executive Officer

**FIRST AMENDMENT TO SECOND AMENDED AND RESTATED
CREDIT AND GUARANTY AGREEMENT**

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT (this "Amendment") is entered into as of June 14, 2018 by and among MERIDIAN WASTE OPERATIONS, INC., a New York corporation ("Operations"), MOBILE SCIENCE TECHNOLOGIES, INC., a Georgia corporation ("Mobile"), ATTIS HEALTHCARE, LLC, a South Carolina limited liability company ("Healthcare"), INTEGRITY LAB SOLUTIONS, LLC, an Oklahoma limited liability company ("Integrity"), RED X MEDICAL LLC, a Georgia limited liability company ("Red X"), WELNESS BENEFITS, LLC, an Oklahoma limited liability company ("Welness"), LGMG, LLC, an Oklahoma limited liability company ("LGMG"), ATTIS INNOVATIONS, LLC, a Georgia limited liability company ("Innovations"), and ADVANCED LIGNIN BIOCOSMOSIS LLC, a Minnesota limited liability company ("Advanced Lignin"), ATTIS ENVICARE MEDICAL WASTE, LLC, a Georgia limited liability company ("Envicare"), ATTIS GENETICS, LLC, a Georgia limited liability company ("Genetics"), ATTIS FEDERAL LABS, LLC, an Oklahoma limited liability company ("Federal Labs"), ATTIS COMMERCIAL LABS, LLC, an Oklahoma limited liability company ("Commercial Labs", and together with Operations, Mobile, Healthcare, Integrity, Red X, Welness, LGMG, Innovations, Advanced Lignin, Envicare, Genetics, and Federal Labs the "Companies" and each, a "Company"), ATTIS INDUSTRIES INC., a New York corporation ("Holdings") and CERTAIN SUBSIDIARIES OF HOLDINGS, as Guarantors, the Lenders party hereto from time to time and GOLDMAN SACHS SPECIALTY LENDING GROUP, L.P. ("GSSLG"), as Administrative Agent (in such capacity, "Administrative Agent"), Collateral Agent (in such capacity, "Collateral Agent"), and Lead Arranger.

RECITALS

A. The Companies, Holdings, Lenders and Administrative Agent are parties to that certain Second Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement), pursuant to which the Lenders have made certain financial accommodations available to the Companies; and

B. The Companies have requested that the Lenders amend certain provisions of the Credit Agreement and waive certain Events of Default, and, subject to the terms and conditions hereof, the Lenders executing this Amendment are willing to do so.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, and intending to be legally bound, the parties hereto agree as follows:

A. EXTENSION OF POST-CLOSING DEADLINES

1. At your request, subject to the terms and conditions set forth herein, effective as of the date hereof, the Administrative Agent and Lenders hereby

(i) extend the date for satisfaction of item 2 set forth on Schedule 5.15 (i.e., satisfaction of all Real Estate Mortgage Requirements with respect to the Real Estate Asset set forth on Schedule 3.1 of the Credit Agreement) from May 20, 2018, to June 30, 2018 (or to such later date as agreed to in writing (including by email) by the Administrative Agent in its sole discretion),

(ii) extend the date for satisfaction of item 3 set forth on Schedule 5.15 (i.e., delivery of Control Agreements with respect to certain Deposit Accounts) from May 20, 2018, to June 30, 2018 (or to such later date as agreed to in writing (including by email) by the Administrative Agent in its sole discretion), and

(iii) extend the date for delivery of the consolidated and consolidating balance sheet of Holdings and its Subsidiaries as at the end of months of March 2018 and April 2018 and the related consolidated and consolidating statements of income, consolidated statements of stockholders' equity and consolidated statements of cash flows of Holdings and its Subsidiaries for such months, as required pursuant to Section 5.1(a) of the Credit Agreement, to July 14, 2018 (or to such later date as agreed to in writing (including by email) by the Administrative Agent in its sole discretion).

2. At your request, subject to the terms and conditions set forth herein, if (i) no Default or Event of Default exists or is continuing on June 30, 2018, and (ii) the Companies shall have made the interest payment that is due and payable on June 30, 2018, then the Installment that would otherwise be due and payable on June 30, 2018 shall instead be due and payable on August 31, 2018, notwithstanding anything to the contrary in Section 2.11 of the Credit Agreement.

B. WAIVERS

At your request, the Administrative Agent and Lenders hereby waive the Events of Default that have occurred and are continuing

(i) under Section 8.1(a) of the Credit Agreement due to the failure of the Companies to

(a) pay interest in the aggregate amount of \$473,947.52 for the month ending May 31, 2018, as required by Section 2.7(e) of the Credit Agreement; provided that such interest shall be paid in kind by adding such amount to the outstanding principal amount of the Term Loan in accordance with Section E(1) below; and

(b) timely make the interest payment of \$22,383.30 for the period from April 20, 2018 through April 30, 2018, within one Business day of the Interest Payment Date, as required by Section 2.7(e) of the Credit Agreement; and

(ii) under Section 8.1(c) of the Credit Agreement due to the failure of the Companies to

(a) cause the Real Estate Asset set forth on Schedule 3.1 of the Credit Agreement to be subject to a Mortgage to secure the obligations and otherwise satisfy the Real Estate Mortgage Requirements with respect to such Real Estate Asset on or prior to 30 days following the Restatement Date, as required by Section 5.15 of the Credit Agreement;

(b) cause each Wells Fargo Deposit Account listed on Schedule 4.4.4 of the Security Agreement to be a Controlled Account on or prior to 30 days following the Restatement Date, as required by Section 5.15 of the Credit Agreement;

(c) deliver to Administrative Agent the consolidated and consolidating balance sheet of Holdings and its Subsidiaries as at the end of month of March 2018 and the related consolidated and consolidating statements of income, consolidated statements of stockholders' equity and consolidated statements of cash flows of Holdings and its Subsidiaries for such month, as required by Section 5.1(a) of the Credit Agreement; and

(d) comply with the requirements of Sections 5.15 and 6.7 of the Credit Agreement in connection with the acquisitions of or investments in CleanTech Corporation, FLUX Carbon LLC, Noveda Technologies, Inc., Genarex FD LLC, and the issuance of preferred Capital Stock in connection therewith.

The waivers set forth in this Section B are limited to their terms and are not and shall not be deemed to be a waiver of any other Default or Event of Default or a consent to departure from any term of the Credit Agreement, including, without limitation, any future failure to comply with the requirements of Section 5.15 of the Credit Agreement as extended in this Amendment or any other outstanding Default or Event of Default regardless of whether or not the Administrative Agent or Lenders have received notice of such Defaults and Events of Default. The Administrative Agent and Lenders reserve all of their rights and remedies under the Credit Documents and applicable law with respect to any other Defaults or Events of Default.

C. CONDITIONS TO EFFECTIVENESS

Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the Lenders hereunder, it is understood and agreed that this Amendment shall not become effective, the Credit Parties shall have no rights under this Amendment, until Administrative Agent shall have received each of the following:

(i) reimbursement or payment of its costs and expenses incurred in connection with this Amendment or the Credit Agreement (including reasonable fees, charges and disbursements of counsel to Administrative Agent) to the extent invoiced prior to the date hereof; and

(ii) executed counterparts to this Amendment from each Company, each other Credit Party, and each of the Lenders.

D. REPRESENTATIONS

To induce the Lenders and Administrative Agent to enter into this Amendment, each Credit Party hereby represents and warrants to the Lenders and the Administrative Agent that:

1. The execution, delivery and performance by such Credit Party of this Amendment (a) are within each Credit Party's corporate or limited liability company power; (b) have been duly authorized by all necessary corporate, limited liability company and/or shareholder action, as applicable; (c) are not in contravention of any provision of any Credit Party's certificate of incorporation or formation, or bylaws or other organizational documents; (d) do not violate any law or regulation, or any order or decree of any Governmental Authority; (e) do not conflict with or result in the breach or termination of, constitute a default under or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which any Credit Party or any of its Subsidiaries is a party or by which any Credit Party or any such Subsidiary or any of their respective property is bound; (f) do not result in the creation or imposition of any Lien upon any of the property of any Credit Party or any of its Subsidiaries; and (g) do not require the consent or approval of any Governmental Authority or any other person; and

2. This Amendment has been duly executed and delivered for the benefit of or on behalf of each Credit Party and constitutes a legal, valid and binding obligation of each Credit Party, enforceable against such Credit Party in accordance with its terms except as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies in general.

E. OTHER AGREEMENTS

1. Interest. On the date hereof, an aggregate amount equal to \$473,947.52, representing the interest accrued but unpaid through May 31, 2018, shall be paid in kind by adding the amount of such accrued interest to the outstanding principal amount of the Term Loan as of May 31, 2018. From and after such payment in kind, such capitalized interest shall be treated as a portion of the Term Loans for all purposes hereunder. After giving effect to such payment in kind, the aggregate outstanding principal balance of the Term Loans, as of the date hereof, is equal to \$8,632,281.31.

2. Amendment Fee. The Companies jointly and severally agree to pay to GSSLG, solely for its own account, an amendment fee in an amount equal to \$200,000 (the "Amendment Fee"). The Amendment Fee shall be fully earned and payable in full on January 1, 2019, shall be nonrefundable when paid and in addition to any other fees, costs and expenses payable pursuant to the Credit Agreement or the other Credit Documents, including without limitation, the fees set forth in the Fee Letter; provided, however, the Amendment Fee shall be waived if all Guaranteed Obligations have been indefeasibly paid in full in cash on or prior to December 31, 2018 or if the Companies pay the amount pursuant to paragraph E.3 hereof pursuant to the conditions of such paragraph.

3. Payment. Notwithstanding anything to the contrary contained in the Credit Agreement or other Credit Documents, if, on or before August 14, 2018, the Companies pay Lenders an amount equal to \$6,000,000 plus any unpaid fees under Section C(i) hereof, the Companies shall be released from any obligation to pay any additional principal amounts under the Credit Agreement and Lenders and Agent shall release all liens and security interest securing the Obligations.

4. Joinders. On or prior to June 30, 2018 (or such later date consented to by the Administrative Agent in writing (including by email)), the Credit Parties shall cause each of CleanTech Corporation, FLUX Carbon LLC, Noveda Technologies, Inc., Genarex FD LLC, to join the Credit Agreement and other Credit Documents as a Credit Party and to satisfy the requirements of Section 5.10 of the Credit Agreement.

5. Reaffirmation of Obligations. Each Credit Party hereby (i) reaffirms all of its obligations owing to the Administrative Agent and Lenders under each Credit Document, and (ii) covenants and agrees that so long as any Commitment is in effect and until payment in full of all Obligations, each Credit Party shall perform, and shall cause each of its Subsidiaries to perform, all obligations under the Credit Agreement, as amended hereby, and the other Credit Documents.

6. Continuing Effectiveness of Credit Documents. As amended hereby, all terms of the Credit Agreement and the other Credit Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Credit Parties party thereto and each Credit Party reaffirms and ratifies all terms of the Credit Agreement, as amended hereby, and other Credit Documents. To the extent any terms and conditions in any of the other Credit Documents shall contradict or be in conflict with any terms or conditions of the Credit Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified and amended accordingly to reflect the terms and conditions of the Credit Agreement as modified and amended hereby. Upon the effectiveness of this Amendment such terms and conditions are hereby deemed modified and amended accordingly to reflect the terms and conditions of the Credit Agreement as modified and amended hereby.

7. Reaffirmation of Guaranty. Each Guarantor consents to the execution and delivery by the Companies of this Amendment and the consummation of the transactions described herein, and ratifies and confirms the terms of the Guaranty to which such Guarantor is a party with respect to the indebtedness now or hereafter outstanding under the Credit Agreement as amended hereby and all promissory notes issued thereunder. Each Guarantor acknowledges that, notwithstanding anything to the contrary contained herein or in any other document evidencing any indebtedness of any Company to the Lenders or any other obligation of any Company, or any actions now or hereafter taken by the Lenders with respect to any obligation of any Company, the Guaranty to which such Guarantor is a party (i) is and shall continue to be a primary obligation of such Guarantor, (ii) is and shall continue to be an absolute, unconditional, continuing and irrevocable guaranty of payment, and (iii) is and shall continue to be in full force and effect in accordance with its terms. Nothing contained herein to the contrary shall release, discharge, modify, change or affect the original liability of any Guarantor under the Guaranty to which such Guarantor is a party.

8. Acknowledgment of Perfection of Security Interest. Each Credit Party hereby acknowledges that, as of the date hereof, the security interests and liens granted to Administrative Agent and the Lenders under the Credit Agreement and the other Credit Documents are in full force and effect, are properly perfected to the extent required under the Collateral Documents and are enforceable in accordance with the terms of the Credit Agreement and the other Credit Documents.

9. Effect of Agreement. Except as set forth expressly herein, all terms of the Credit Agreement, as amended hereby, and the other Credit Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Credit Parties to the Lenders and Administrative Agent. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement. This Amendment shall constitute a Credit Document for all purposes of the Credit Agreement.

10. Governing Law. This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York and all applicable federal laws of the United States of America.

11. No Novation. This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Credit Agreement and the other Credit Documents or an accord and satisfaction in regard thereto.

12. Costs and Expenses. The Companies agree to pay on demand all costs and expenses of Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel for Administrative Agent with respect thereto.

13. Counterparts. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission, electronic transmission (including delivery of an executed counterpart in .pdf format) shall be as effective as delivery of a manually executed counterpart hereof.

14. Binding Nature. This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, successors-in-titles, and assigns. No third party beneficiaries are intended in connection with this Amendment.

15. Entire Understanding. This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

16. Release. Each Credit Party hereby releases, acquits, and forever discharges Administrative Agent and each of the Lenders, and each and every past and present subsidiary, affiliate, stockholder, officer, director, agent, servant, employee, representative, and attorney of Administrative Agent and the Lenders, from any and all claims, causes of action, suits, debts, liens, obligations, liabilities, demands, losses, costs and expenses (including reasonable attorneys' fees) of any kind, character, or nature whatsoever, known or unknown, fixed or contingent, which such Credit Party may have or claim to have now or which may hereafter arise out of or connected with any act of commission or omission of Administrative Agent or the Lenders existing or occurring prior to the date of this Amendment or any instrument executed prior to the date of this Amendment including, without limitation, any claims, liabilities or obligations arising with respect to the Credit Agreement or the other of the Credit Documents. The provisions of this paragraph shall be binding upon each Credit Party and shall inure to the benefit of Administrative Agent, the Lenders, and their respective heirs, executors, administrators, successors and assigns.

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IN WITNESS WHEREOF, this Amendment has been duly executed as of the date first written above.

ATTIS INDUSTRIES INC.

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Chief Executive Officer

MERIDIAN WASTE OPERATIONS, INC.

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Chief Executive Officer

ADVANCED LIGNIN BIOCOMPOSITES LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

ATTIS ENVICARE MEDICAL WASTE, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

ATTIS GENETICS, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

ATTIS HEALTHCARE, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

[SIGNATURE PAGE TO FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT]

ATTIS INNOVATIONS, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

MOBILE SCIENCE TECHNOLOGIES, INC.

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Vice President

RED X MEDICAL LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

INTEGRITY LAB SOLUTIONS, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

LGMG, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

WELNESS BENEFITS, LLC

By: _____
Name: Jeffrey S. Cosman
Title: Manager

[SIGNATURE PAGE TO FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT]

ATTIS FEDERAL LABS, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

ATTIS COMMERCIAL LABS, LLC

By: /s/ Jeffrey S. Cosman
Name: Jeffrey S. Cosman
Title: Manager

[SIGNATURE PAGE TO FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT]

GOLDMAN SACHS SPECIALTY LENDING GROUP, LP, as
Administrative Agent

By: /s/ Justin Betzen

Name: Justin Betzen

Title: Senior Vice President

GOLDMAN SACHS SPECIALTY LENDING HOLDINGS, INC.,
as a Lender

By: /s/ Justin Betzen

Name: Justin Betzen

Title: Senior Vice President

[SIGNATURE PAGE TO FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT]

Goldman Sachs Specialty Lending Group, L.P.
2001 Ross Ave., Suite 2800
Dallas, Texas 75201

June 12, 2018

Meridian Waste Solutions, Inc.
Meridian Waste Operations, Inc.
Advanced Lignin Biocomposites LLC
Attis Envicare Medical Waste, LLC
Attis Genetics, LLC
Attis Healthcare, LLC
Attis Innovations, LLC
Mobile Science Technologies, Inc.
Red X Medical LLC
Integrity Lab Solutions, LLC
LGMG, LLC
Wellness Benefits, LLC
Attis Federal Labs, LLC
Attis Commercial Labs, LLC
12540 Broadwell Road
Suite 2104
Milton, GA 30004
Attention: Jeff Cosman

VIA FACSIMILE AND UPS

Re: Notice of Events of Default; Reservation of Rights Gentlemen:

Reference is made to that certain Second Amended and Restated Credit and Guaranty Agreement, dated as of April 20, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), by and among MERIDIAN WASTE OPERATIONS, INC., a New York corporation ("**Operations**"), MOBILE SCIENCE TECHNOLOGIES, INC., a Georgia corporation ("**Mobile**"), ATTIS HEALTHCARE, LLC, a South Carolina limited liability company ("**Healthcare**"), INTEGRITY LAB SOLUTIONS, LLC, an Oklahoma limited liability company ("**Integrity**"), RED X MEDICAL LLC, a Georgia limited liability company ("**Red X**"), WELLNESS BENEFITS, LLC, an Oklahoma limited liability company ("**Wellness**"), LGMG, LLC, an Oklahoma limited liability company ("**LGMG**"), ATTIS INNOVATIONS, LLC, a Georgia limited liability company ("**Innovations**"), and ADVANCED LIGNIN BIOCOSMOSITES LLC, a Minnesota limited liability company ("**Advanced Lignin**"), ATTIS ENVICARE MEDICAL WASTE, LLC, a Georgia limited liability company ("**Envicare**"), ATTIS GENETICS, LLC, a Georgia limited liability company ("**Genetics**"), ATTIS FEDERAL LABS, LLC, an Oklahoma limited liability company ("**Federal Labs**"), ATTIS COMMERCIAL LABS, LLC, an Oklahoma limited liability company ("**Commercial Labs**"), and together with Operations, Mobile, Healthcare, Integrity, Red X, Wellness, LGMG, Innovations, Advanced Lignin, Envicare, Genetics, and Federal Labs the "**Companies**" and each, a "**Company**"), MERIDIAN WASTE SOLUTIONS, INC., a New York corporation ("**Holdings**") and CERTAIN SUBSIDIARIES OF HOLDINGS, as Guarantors, the Lenders party hereto from time to time and GOLDMAN SACHS SPECIALTY LENDING GROUP, L.P. ("**GSSLG**"), as Administrative Agent (in such capacity, "**Administrative Agent**"), Collateral Agent (in such capacity, "**Collateral Agent**"), and Lead Arranger. Unless otherwise specified, all capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Credit Agreement.

As you know, certain Events of Default have occurred and are continuing under the Credit Agreement as of the date hereof, including, without limitation, those Events of Default listed in Exhibit A attached hereto (all such existing Events of Default, the "**Designated Defaults**"). As a result of the Designated Defaults, as well as any other Events of Default that may exist, the Agent and the Lenders are entitled to exercise any and all default-related rights and remedies under the Credit Agreement, other Credit Documents and applicable law. Without limiting such rights and remedies, as a result of the Designated Defaults, (x) due to the failure to satisfy the condition precedent set forth in clause (i) of the definition of "Permitted Acquisition" in Section 1.1 of the Credit Agreement, the Companies no longer have the right to make any Permitted Acquisitions, (y) under Section 2.8 of the Credit Agreement, the Companies no longer have the right to request that any Loan be continued as or converted into a LIBOR Rate Loan and (z) under Section 2.9 of the Credit Agreement, the outstanding principal amount of the Loans (and to the extent permitted by applicable law, interest and other amounts) is accruing interest at the default rate specified in such Section 2.9. In addition, we remind you that the Credit Parties' ability to make Restricted Junior Payments to Holdings is limited as set forth in Section 6.5 of the Credit Agreement. Notwithstanding Section 2.9 of the Credit Agreement and the accrual of default interest, the Agent and Lenders consent to the continued payment by the Companies of interest at the non-default rate until either the Agent or Lenders demand payment of interest at the default rate; provided, that upon such demand by the Agent or Lenders, accrued interest at the default rate specified in Section 2.9 of the Credit Agreement shall be due and payable from the date of the first Designated Default.

The Agent and the Lenders will continue to monitor the default situation very carefully and will decide in their sole discretion on a "day-by-day" basis whether or not to exercise their rights and remedies, including whether to continue to allow requests to continue or convert any Loan as or into a LIBOR Rate Loan. We remind you, however, that neither any "day-by-day" discretionary consent by Agent and Lenders nor anything in this letter or in any ongoing discussions or negotiations between Agent and/or any one or more of the Lenders, on the one hand, and the Credit Parties and Credit Parties' Affiliates, on the other hand, nor any delay on the part of Agent or the Lenders in exercising any of their respective rights and remedies under the Credit Agreement, the other Credit Documents and/or applicable law, shall directly or indirectly: (i) create any obligation to forbear from taking any enforcement action, (ii) constitute a consent to or waiver of any past, present or future Default or Event of Default or other violation of any provisions of the Credit Agreement or any other Credit Documents, (iii) amend, modify or operate as a waiver of any provision of the Credit Agreement or any other Credit Documents or any right, power, privilege or remedy of Agent or any one or more of the Lenders thereunder or under applicable law or constitute an agreement to forbear or to restructure the Obligations in any respect or otherwise modify the capital structure of any or all of the Credit Parties, or (iv) constitute a course of dealing or other basis for altering any rights or obligations of Agent or the Lenders under the Credit Documents or any Obligations of any Company or any other Credit Party under the Credit Agreement, other Credit Documents or any other contract or instrument. Nothing contained in this letter shall confer on any Company or any other Credit Party or Person any right to notice or cure periods with respect to any Event of Default.

This letter confirms that the Agent and the Lenders have not waived the Designated Defaults and each of Agent and the Lenders expressly reserves all of its rights, powers, privileges and remedies under the Credit Agreement, other Credit Documents and/or applicable law, including, without limitation, its right at any time, as applicable, (i) to accelerate the Obligations, (ii) to require payment of accrued default interest in respect of the Obligations (as of any date from and after the date on which the first Designated Default first occurred) and to enforce the prohibition against continuing or converting any Loan as or into a LIBOR Loan, (iii) to commence any legal or other action to collect any or all of the Obligations from any or all of the Companies, the other Credit Parties, and any other person liable therefor and/or any Collateral, (iv) to foreclose or otherwise realize on any or all of the Collateral and/or as appropriate, set-off or apply to the payment of any or all of the Obligations, any or all of the Collateral, (v) to take any other enforcement action or otherwise exercise any or all rights and remedies provided for by any or all of the Credit Agreement, other Credit Documents or applicable law, and (vi) to reject any forbearance, financial restructuring or other proposal made by or on behalf of any Company, any other Credit Party or any creditor or equity holder. Each of Agent and the Lenders may exercise their respective rights, powers, privileges and remedies, including those set forth in (i) through (vi) above at any time in its sole and absolute discretion without further notice. No oral representations or course of dealing on the part of Agent, any Lender or any of its officers, employees or agents, and no failure or delay by Agent or any Lender with respect to the exercise of any right, power, privilege or remedy under any of the Credit Agreement, other Credit Documents or applicable law shall operate as a waiver thereof, and the single or partial exercise of any such right, power, privilege or remedy shall not preclude any later exercise of any other right, power, privilege or remedy.

[signature page to follow]

Very truly yours,

GOLDMAN SACHS SPECIALTY LENDING GROUP, L.P., as
Administrative Agent

By: /s/ Justin Betzen
Name: Justin Betzen
Title: Senior Vice President

GOLDMAN SACHS SPECIALTY LENDING HOLDINGS, INC.,
as a Lender

By: /s/ Justin Betzen
Name: Justin Betzen
Title: Senior Vice President

cc:

Richard J. Dreger, Attorney at Law, P.C.
11660 Alpharetta Highway
Building 700, Suite 730
Roswell, Georgia 30076
(678) 566-6938 (Facsimile)

Cozen O'Connor PC
One Oxford Center
301 Grant Street, 26th Floor
Pittsburgh, PA 15219
Attention: Jeremiah G. Garvey
(412) 275 2390 (Facsimile)

Lucosky Brookman LLP
101 Wood Avenue South, 5th Floor
Woodbridge, New Jersey 08830
(732) 395 4401 (Facsimile)
Attention: Scott Linsky

Reservation of Rights Letter (Attis)

EXHTBTT A

“Designated Defaults” include, without limitation, the following:

(a) Events of Default that have occurred and are continuing under Section 8.1(a) of the Credit Agreement due to the failure of the Companies to pay interest in the aggregate amount of \$473,947.52 for the month ending May 31, 2018 (which amount, for the avoidance of doubt, includes the interest in clause (b) below), as required by Section 2.7(e) of the Credit Agreement.

(b) Events of Default that have occurred and are continuing under Section 8.1(a) of the Credit Agreement due to the failure of the Companies to pay interest in the aggregate amount of \$404,390.70 for the period from April 1, 2018 through April 20, 2018, as required by Section 2.7(e) of the Credit Agreement.

(c) Events of Default that have occurred and are continuing under Section 8.1(a) of the Credit Agreement due to the failure of the Companies to timely make the interest payment of \$22,383.30 for the period from April 20, 2018 through April 30, 2018, within one Business day of the Interest Payment Date, as required by Section 2.7(e) of the Credit Agreement.

(d) Events of Default that have occurred and are continuing under Section 8.1(c) of the Credit Agreement due to the failure of the Companies to cause the Real Estate Asset set forth on Schedule 3.1 of the Credit Agreement to be subject to a Mortgage to secure the obligations and otherwise satisfy the Real Estate Mortgage Requirements with respect to such Real Estate Asset on or prior to 30 days following the Restatement Date, as required by Section 5.15 of the Credit Agreement.

(e) Events of Default that have occurred and are continuing under Section 8.1(c) of the Credit Agreement due to the failure of the Companies to cause each Wells Fargo Deposit Account listed on Schedule 4.4.4 of the Security Agreement to be a Controlled Account on or prior to 30 days following the Restatement Date, as required by Section 5.15 of the Credit Agreement.

(f) Events of Default that have occurred and are continuing under Section 8.1(c) of the Credit Agreement due to the failure of the Companies deliver to Administrative Agent the consolidated and consolidating balance sheet of Holdings and its Subsidiaries as at the end of month of March 2018 and the related consolidated and consolidating statements of income, consolidated statements of stockholders' equity and consolidated statements of cash flows of Holdings and its Subsidiaries for such month, as required by Section 5.1(a) of the Credit Agreement.

(g) Events of Default that have occurred and are continuing under Section 8.1(c) of the Credit Agreement due to the failure of the Companies to comply with the requirements of Sections 5.15 and 6.7 of the Credit Agreement, including, without limitation, Events of Default arising out of the acquisitions of or investments in CleanTech Corporation, FLUX Carbon LLC, Noveda Technologies, Inc., Genarex FD LLC, and any issuance of preferred Capital Stock in connection therewith.
