

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

FOR THE FISCAL YEAR ENDED MARCH 31, 1995

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

FOR THE TRANSITION PERIOD FROM _____ TO _____
COMMISSION FILE NUMBER 1-9533

INTERNATIONAL RECOVERY CORP.
(Exact name of registrant as specified in its charter)

Florida 59-2459427
(State or other jurisdiction (I.R.S. Employer
of incorporation or organization) Identification No.)

700 South Royal Poinciana Blvd., Suite 800, Miami Springs, Florida 33166
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, including area code: (305) 884-2001

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class:	Name of each exchange on which registered:
Common Stock, par value \$.01 per share	New York Stock Exchange Pacific Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to the Form 10-K

The aggregate market value of the voting stock (which consists solely of shares of common stock) held by non-affiliates of the registrant was \$87,281,000 (computed by reference to the closing sale price as of May 15, 1995).

The registrant had 5,281,679 outstanding shares of common stock, par value \$.01 per share, as of May 15, 1995.

Documents incorporated by reference:

Part III - Definitive Proxy Statement for the 1995 Annual Meeting of Shareholders.

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PART I

ITEM 1. BUSINESS

General

International Recovery Corp. (the "Company"), is involved in three principal businesses. The Company markets aviation and marine fuel and recycles used oil.

In its aviation fueling business, the Company extends credit and provides single-supplier convenience, 24 hour service, and competitively-priced aviation fuel to cargo and passenger airlines, and to charter, corporate, and private aircraft. The Company sells aviation fuel to its customers at more than 1,100 airports located throughout the world.

In its marine fueling business, the Company markets marine fuel to a broad base of customers covering all market segments, including major international container and tanker fleets, time charter operators, as well as military vessels. Fueling services include credit terms and are available 24 hours a day in over 1,000 ports, and in over 135 countries.

In its oil recycling business, the Company collects used oil throughout the Southern and Mid-Atlantic United States from generators which include service stations, quick lube shops, automobile dealerships, and industrial, governmental, marine and utility generators. The Company recycles used oil into various fuel products and sells the recycled oil to industrial and commercial customers.

Financial information with respect to the Company's business segments and foreign operations is provided in Note 8 in the accompanying financial statements.

History

The Company was incorporated in Florida in July 1984. Its executive offices are located at 700 South Royal Poinciana Boulevard, Suite 800, Miami Springs, Florida 33166, and its telephone number at this address is (305) 884-2001. The Company presently conducts its aviation fueling business through four subsidiaries with principal offices in Florida, England, and Singapore; the Company conducts its marine fueling business through three subsidiaries with principal offices in New York, California, England and Singapore, and its oil recycling business is conducted through six subsidiaries with offices in Florida, Louisiana, Georgia, Maryland, and Delaware. See "Item 2 PROPERTIES" for a list of principal offices by business and "Exhibit 21 - - Subsidiaries of the Registrant".

In December 1986, the Company entered the aviation fueling business with the acquisition of Advance Petroleum, Inc. now doing business as World Fuel Services of FL. In October 1989, the Company expanded its aviation fueling capabilities by acquiring JCo Energy Partners, Ltd. and shortly thereafter renamed these operations World Fuel Services, Inc.

The Company formed a subsidiary, International Petroleum Corp. of Delaware which began operations in April 1993, upon the completion of its used oil and water recycling plant in Wilmington, Delaware.

In August 1994, the Company began operations in Ecuador through a joint venture which enables the Company to provide point-to-point aviation fuel sales within Ecuador. See Note 7 in the accompanying financial statements for additional information.

In January 1995, the Company entered the marine fuel business through the acquisition of the Trans-Tec group of companies. The Company acquired substantially all of the assets and assumed certain liabilities of Trans-Tec Services, Inc., a New York corporation, and Trans-Tec Servicios, S.A., a Costa Rica corporation, and acquired all of the outstanding stock of Trans-Tec Services (UK), Ltd., a United Kingdom corporation ("UK"). The UK company owns Trans-Tec Services (Singapore) PTE., Ltd. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 1 in the accompanying financial statements for additional information.

Aviation Fuel Services

The Company markets aviation fuel to cargo and passenger airlines, and to aircraft operated by charters, corporations and private individuals. The Company has developed an extensive network which enables it to fuel customers at airports throughout the world.

In general, the aviation industry is capital intensive and highly leveraged. Recognizing the financial risks of the airline industry, fuel suppliers generally refrain from extending unsecured lines of credit to smaller airlines and avoid doing business with smaller airlines directly. Consequently, most carriers either post a cash collateralized letter of credit or prepay for fuel purchases. This impacts the airlines' working capital. The Company recognizes that the extension of credit is a risk but also a significant area of opportunity. Accordingly, the Company extends unsecured credit to many of its customers.

The Company purchases its aviation fuel from various suppliers worldwide. The Company's cost of fuel is generally tied to market-based formulas or is government controlled. Anticipating future market conditions, the Company may choose to enter into short term future commitments fixing the cost of its purchases. The Company monitors these positions daily and, when appropriate, unwinds the positions through end market sales to aviation customers or through trading activities. The Company is usually extended unsecured trade credit for its fuel purchases. However, certain suppliers require a letter of credit. The Company may pre-pay its fuel purchases to take advantage of financial discounts, or as required to transact business in certain countries.

Outside of the United States, the Company generally does not maintain fuel inventory and arranges to have the fuel delivered directly into the customer's aircraft. The Company maintains fuel inventory at various airports in Ecuador pursuant to a joint venture.

In the United States, sales are made directly into a customer's aircraft or the customer's designated storage with fuel provided by the Company's suppliers or delivered from the Company's inventory. Inventory is held at multiple locations in the United States for competitive reasons and inventory levels are kept at an operating minimum. The Company has arrangements with its suppliers and other third parties for the delivery of fuel.

The primary risk in the Company's aviation fueling business is the extension of unsecured trade credit. The Company's success in attracting business has been due, in large part, to its willingness to extend credit on an unsecured basis to customers which exhibit a higher credit risk profile and would otherwise be required to pre-pay or post cash collateralized letters of credit with their suppliers of fuel. The Company's management recognizes that extending credit and setting appropriate reserves for receivables is largely a subjective decision based on knowledge of the customer. Active management of this risk is essential to the Company's success. A strong capital position and liquidity provide the financial flexibility necessary to respond to customer needs. Diversification of risk is difficult since the Company sells primarily within the airline industry. The Company's management meets regularly to evaluate credit exposure in the aggregate, and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio.

The level of credit granted to a customer is largely influenced by its estimated fuel requirements for thirty days, and its credit history with the Company for existing customers. This period of time represents the average business cycle of the Company's typical customer. The Company regularly monitors its credit portfolio by reviewing a customer's payment patterns and estimated overall exposure, including estimated unbilled fuel sales. The Company considers its credit portfolio to be of acceptable quality and has established an allowance that in management's judgement is adequate to absorb potential credit problems inherent in the portfolio as of March 31, 1995.

No single customer in this segment accounted for more than 10% of the Company's consolidated revenue in the three fiscal years ended March 31, 1995. The Company currently employs 35 persons in its aviation fuel services segment.

Marine Fuel Services

The Company, through its Trans-Tec subsidiaries which were acquired effective January 1, 1995, markets marine fuel to a broad base of customers covering all market segments, including international container and tanker fleets, time charter operators, as well as military vessels. Fueling services are provided at over 1,000 ports and in over 135 countries.

With strategic sales offices located in the United States, Singapore, England, Korea, and Greece, Trans-Tec affords its customers global market intelligence and rapid access to quality and competitively priced marine fuel, 24 hours a day, every day of the year. The cost of fuel is a major component of a vessel's operating overhead. Therefore, the need for cost effective and professional fueling services is essential.

As an increasing number of ship owners, time charter operators, and suppliers look to outsource their marine fuel purchasing and/or marketing needs, Trans-Tec's value added service has become an integral part of the oil and transportation industries' push to shed non-core functions. Suppliers use Trans-Tec's global sales, marketing and financial infrastructure to sell a spot or ratable volume of product to a diverse, international purchasing community. End customers use Trans-Tec's real time analysis of the availability, quality, and price of marine fuels in ports worldwide to maximize their competitive position.

In the majority of its transactions, Trans-Tec acts as a broker and as a source of market information for the user, negotiates the transaction by arranging the fuel purchase contract between the supplier and end user, and expedites the arrangements for the delivery of fuel.

Trans-Tec also acts as a principal, or reseller, when it purchases the fuel from a supplier, marks it up, and resells the fuel to a customer. The Company holds no inventory and assumes no price risk; however, in most instances the Company extends unsecured trade credit.

The Company's management meets regularly to evaluate credit exposure in the aggregate, and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio. The level of credit is largely influenced by a customer's credit history with the Company, claims experience and payment patterns.

No single customer in this segment accounted for more than 10% of the Company's consolidated revenue in the fiscal year ended March 31, 1995. The Company currently employs 48 persons in its marine fueling segment.

Oil Recycling

The Company, through its International Petroleum Corporation subsidiaries ("IPC"), collects, blends, and recycles used oil and petroleum contaminated water. The Company's recycled oil products are sold to industrial and commercial customers.

IPC collects only non-hazardous waste oil, waste water, and petroleum contaminated liquids from generators such as service stations, quick lube shops, automobile dealerships, and industrial, governmental, marine, and utility generators. The Company uses its own fleet of trucks to collect approximately 40 percent of its needs from generators within close proximity to its facilities. The balance is sourced from independent agents. Every shipment is analyzed on-site or at the Company's laboratories to determine its specifications and the treatment needed to convert the waste fluid into marketable fuel products.

The Company has three recycling facilities. The facilities located in Plant City, Florida and Wilmington, Delaware utilize a closed-loop, two stage recycling process. The resulting recycled oil product is sold as is, or it may be blended to customer specification into various non-hazardous oil products. The Company's products range from commercial diesel fuel to #6 grade residual oil.

The Company's third recycling facility, located in New Orleans, Louisiana, was opened in May 1994. This plant utilizes a batch recycling process. The Company also has collection and transfer facilities in Atlanta, Georgia and in Baltimore, Maryland, both of which have limited processing and blending capabilities.

The used oil industry is highly fragmented and consists primarily of small scale operators that collect and resell used oil, many of which lack the necessary facilities to adequately test and recycle the oil. However, the industry also consists of a few large-scale operators that have the facilities to collect, re-refine, and market lubricating products.

During the three fiscal years ended March 31, 1995, none of the Company's recycled fuel customers accounted for more than 10% of the Company's consolidated revenue. The Company currently employs 106 persons in the oil recycling segment.

Potential Liability and Insurance

The Company, through the use of subcontractors and its own operations, transports, stores, or processes flammable aviation, marine and residual fuel subjecting it to possible claims by employees, customers, regulators, and others who may be injured. In addition, the Company may be held liable for the clean-up costs of spills or releases of materials from its facilities or vehicles, or for damages to natural resources arising out of such events. The Company follows what it believes to be prudent procedures to protect its employees and customers and to prevent spills or releases of these materials.

The Company's activities subject it to the risks of significant potential liability under Federal and state statutes, common law, and contractual indemnification agreements. The Company has general and automobile liability insurance coverage, including the statutory Motor Carrier Act/MCS 90 endorsement for sudden and accidental pollution.

In the aviation and marine fuel segments, the Company utilizes subcontractors which provide various services to customers, including in-flight fueling at airports, fueling of vessels in port and at sea, and transportation and storage of fuel and fuel products. Although the Company generally requires its subcontractors to carry liability insurance, not all subcontractors carry adequate insurance. The Company's liability insurance policy does not cover the acts or omissions of its subcontractors. If the Company is held responsible for any liability caused by its subcontractors, and such liability is not adequately covered by the subcontractor's insurance, the Company will be adversely affected.

The Company has exited several environmental businesses which handled hazardous wastes. These wastes were transported to various disposal facilities and/or treated by the Company. The Company may be held liable as a potentially responsible party for the clean-up of such disposal facilities in certain cases pursuant to current Federal and state laws and regulations. Due to the cost of insurance relative to potential exposure, tail coverages were not purchased for businesses exited. The Company is currently responsible to Federal and state environmental agencies for clean-up costs at a site formerly operated by its subsidiary, Resource Recovery of America, which has been sold by the Company.

The Company continuously reviews the adequacy of its insurance coverages. However, the Company lacks coverage for various risks. A claim arising out of the Company's activities, if successful and of sufficient magnitude, could have a material adverse effect on the Company's financial position or results of operations. See "Item 3 - Legal Proceedings", appearing elsewhere in this report.

Regulation

The Company's operations are subject to substantial regulation by Federal, state and local government agencies, including, but not limited to, regulations which restrict the transportation, storage and disposal of hazardous waste and the collection, transportation, processing, storage, use and disposal of waste oil.

The principal U.S. Federal statutes affecting the business of the Company and the markets it serves are as follows:

The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("Superfund" or "CERCLA") establishes a program for Federally directed response or remedial actions with respect to the uncontrolled discharge of hazardous substances, pollutants or contaminants, including waste oil, into the environment. The law authorizes the Federal government either to seek a binding order directing responsible parties to undertake such actions or authorizes the Federal government to undertake such actions and then to seek compensation for the cost of clean-up and other damages from potentially responsible parties. Congress established a Federally-managed trust fund, commonly known as the Superfund, to fund response and remedial actions undertaken by the Federal government. The trust fund is used to fund Federally conducted actions when no financially able or willing responsible party has been found.

The Superfund Amendments and Reauthorization Act of 1986 ("SARA") adopted more detailed and stringent standards for remedial action at Superfund sites, and clarified provisions requiring damage assessments to determine the extent and monetary value of injury to natural resources. SARA also provides a separate funding mechanism for the clean-up of underground storage tanks.

The Resource Conservation and Recovery Act of 1976 ("RCRA") established a comprehensive regulatory framework for the management of hazardous waste at active facilities, complementing the Superfund program which addresses inactive and abandoned waste sites. RCRA sets up a "cradle-to-grave" system for the management of hazardous waste, imposing upon all parties who generate, transport, treat, store or dispose of waste, above certain minimum quantities, requirements for performance, testing and record keeping. RCRA also requires new and existing facilities to obtain permits for construction, operation and closure and requires 30 years of post-closure care and monitoring. RCRA was amended in 1984 to increase the scope of RCRA regulation of small quantity waste generators and waste oil handlers and recyclers; require corrective action at hazardous waste facilities (including remediation at certain previously closed solid waste management units); phase in restrictions on land disposal of hazardous waste; and require the identification and regulation of underground storage tanks containing petroleum and certain chemicals.

On November 29, 1985, the Environmental Protection Agency ("EPA") issued final regulations under RCRA which restrict the burning of waste oil. These regulations prohibit burning waste oil in non-industrial boilers unless the oil meets certain standards for levels of lead, arsenic, chromium, chlorine, cadmium, and flashpoint. The regulations do not restrict the burning of waste oil in industrial boilers and furnaces. These regulations have not had a significant impact on the Company's business because the Company does not presently sell burner fuel to non-industrial burners. Industrial burners of recycled oil, however, must comply with certain notification and administrative procedures.

The National Environmental Policy Act of 1970 ("NEPA") requires the preparation of an environmental impact statement ("EIS") for any major Federal action significantly affecting the environment or the issuance of Federal environmental permits for industrial facilities affecting the environment. Such statements must evaluate and describe the effects of the proposed activity on the environment and evaluate alternatives to the proposed activity. Major energy and mineral developments require construction and operating permits and may therefore trigger the EIS process.

The Toxic Substances Control Act of 1976 authorizes the EPA to gather information on the risks of chemicals and to monitor and regulate the manufacture, distribution, processing, use and disposal of a host of chemicals, including asbestos and polychlorinated biphenyls.

The Clean Air Act of 1970, as amended in 1977, was the first major Federal legislation enacted after NEPA became law. The Act authorized the EPA to establish National Ambient Air Quality Standards for certain pollutants, which are to be achieved by the individual states through State Implementation Plans ("SIPs"). SIPs typically attempt to meet ambient standards by regulating the quantity and quality of emissions from specific industrial sources. For toxic emissions, the Act authorizes the EPA to regulate emissions from industrial facilities directly. The EPA also directly establishes emissions limits for new sources of pollution, and is responsible for ensuring compliance with air quality standards. The Clean Air Act Amendments of 1990 place the primary responsibility for the prevention and control of air pollution upon state and local governments. The 1990 amendments require regulated emission sources to obtain operating permits, which will impose emission limitations, standards, and compliance schedules.

The Clean Water Act of 1972, as amended in 1987, establishes water pollutant discharge standards applicable to many basic types of manufacturing plants and imposes standards on municipal sewage treatment plants. The Act requires states to set water quality standards for significant bodies of water within their boundaries and to ensure attainment and/or maintenance of those standards. Most industrial and government facilities must apply for and obtain discharge permits, monitor pollutant discharges, and under certain conditions reduce certain discharges.

The Safe Drinking Water Act, as amended in 1986, regulates public water supplies by requiring EPA to establish primary drinking water standards. These standards are likely to be further expanded under the EPA's evolving groundwater protection strategy which is intended to set levels of protection or clean-up of the nation's groundwater resources. These groundwater quality requirements will then be applied to RCRA facilities and CERCLA sites, and remedial action will be required for releases of contaminants into groundwater.

The International Convention for the Prevention of Pollution from ships ("MARPOL") places strict limitations on the discharge of oil at sea and in port and requires ships to transfer oily waste to certified reception facilities. The U.S. Coast Guard has issued regulations effective March 10, 1986 which implement the requirements of MARPOL. Under these regulations, each terminal and port of the United States that services oceangoing tankers or cargo ships over 400 gross tons must be capable of receiving an average amount of oily waste based on the type and number of ships it serves. The reception facilities may be fixed or mobile, and may include tank trucks and tank barges.

The National Pollutant Discharge Elimination System ("NPDES"), a program promulgated under the Clean Water Act, permits States to issue permits for the discharge of pollutants into the waters of the United States in lieu of Federal EPA regulation. State programs must be consistent with minimum Federal requirements, although they may always be more stringent. NPDES permits are required for, among other things, certain industrial discharges of storm water.

The Oil Pollution Act of 1990 imposes liability for oil discharges, or threats of discharge, into the navigable waters of the United States on the owner or operator of the responsible vessel or facility. Oil is defined to include oil refuse and oil mixed with wastes other than dredged spoil, but does not include oil designated as a hazardous substance under CERCLA. The Act requires the responsible party to pay all removal costs, including the costs to prevent, minimize or mitigate oil pollution in any case in which there is a substantial threat or an actual discharge of oil. In addition, the responsible party may be held liable for damages for injury to natural resources, loss of use of natural resources and loss of revenues from the use of such resources.

The Occupational Safety and Health Administration Act regulates exposure to toxic substances and other forms of pollution in the workplace. The law is administered by the Department of Labor. It specifies maximum levels of toxic substances, such as asbestos, to which employees may be exposed, and under the "right-to-know" rule requires that workers be informed of, and receive training relating to, the physical and health risks posed by hazardous materials in their workplaces.

State and Local Government Regulation. Many states have been authorized by the EPA to enforce regulations promulgated under RCRA and other Federal programs. In addition, there are numerous state and local authorities that regulate the environment, some of which impose stricter environmental standards than Federal laws and regulations. Some states, including Florida, have enacted legislation which generally provides for registration, recordkeeping, permitting, inspection, and reporting requirements for transporters, collectors and recyclers of hazardous waste and waste oil. The penalties for violations of state law include injunctive relief, recovery of damages for injury to air, water or property and fines for non-compliance. In addition, some local governments have established local pollution control programs, which include environmental permitting, monitoring and surveillance, data collection and local environmental studies.

Excise Tax on Diesel and Aviation Fuel. The Company's aviation fueling operations are affected by various Federal and state taxes imposed on the purchase and sale of aviation fuel products in the United States. Federal law imposes a manufacturer's excise tax in the amount of 21.9 cents per gallon on sales of aviation fuel. Sales to aircraft engaged in foreign trade are exempt from this tax and sales to commercial airlines are partially exempt. These exemptions may be realized either through tax-free or tax-reduced sales if the seller qualifies as a producer under applicable regulations, or, if the seller does not so qualify, through a tax-paid sale followed by a refund to the exempt user. Several states where the Company sells aviation fuel, including the state of Florida, impose excise and sales taxes on fuel sales; and certain of the Company's sales qualify for full or partial exemptions from these state taxes.

ITEM 2. PROPERTIES

The following page sets forth by segment and subsidiary the principal properties owned or leased by the Company as of May 15, 1995. The Company considers its properties and facilities to be suitable and adequate for its present needs.

The Company generally enters into non-cancelable equipment leases and installment notes to finance the replacement, upgrade or expansion of its vehicles and equipment. For additional information with respect to obligations under the Company's leases and installment notes, see Notes 3 and 6 to the financial statements appearing elsewhere in this report.

IRC AND SUBSIDIARIES
PROPERTIES

OWNER/LESSEE AND LOCATION CORPORATE	PRINCIPAL USE	OWNED OR LEASED
INTERNATIONAL RECOVERY CORP. 700 S. Royal Poinciana Blvd. Suite 800 Miami Springs, FL 33166	Executive Offices	Leased to June 1998
AVIATION FUELING ADVANCE PETROLEUM, INC. D/B/A WORLD FUEL SERVICES OF FL. 700 S. Royal Poinciana Blvd. Suite 800 Miami Springs, FL 33166	Administrative, operations and sales offices	Leased to June 1998
WORLD FUEL SERVICES, INC. 700 S. Royal Poinciana Blvd. Suite 800 Miami Springs, FL 33166	Administrative, operations and sales offices	Leased to June 1998
WORLD FUEL SERVICES LTD. London Gatwick Hilton Suite 1211 Gatwick Airport West Sussex RH6 0LL United Kingdom	Administrative, operations and sales offices	Leased month-to-month
WORLD FUEL SERVICES (SINGAPORE) PTE., LTD. 5 Shenton Way #12-03/04 UIC Building Singapore 0106	Administrative, operations and sales offices	Leased to March 1997
OIL RECYCLING INTERNATIONAL PETROLEUM CORPORATION 105 South Alexander Street Plant City, FL 33566	Storage Tanks, Recycling Plant, Laboratory, and Administrative Offices	Leased to August 1996
INTERNATIONAL PETROLEUM CORP. OF DELAWARE 505 South Market Street Wilmington, DE 19801	Storage Tanks, Recycling Plant, Laboratory, and Administrative Offices	Owned
INTERNATIONAL PETROLEUM CORP. OF GEORGIA 109 Howell Avenue Fairburn, GA 30213	Storage Tanks, Blending Facility, and Administrative Offices	Owned
INTERNATIONAL PETROLEUM CORP. OF LOUISIANA 14890 Intracoastal Drive New Orleans, LA 70129	Storage Tanks, Recycling Plant, Laboratory, and Administrative Offices	Leased to August 1996
INTERNATIONAL PETROLEUM CORP. OF MARYLAND 6305 E. Lombard Street Baltimore, MD 21224	Storage Tanks, Blending Facility, and Administrative Offices	Owned
MARINE FUELING TRANS-TEC SERVICES, INC. 150 East 55th Street New York, N.Y. 10022	Administrative, operations and sales Offices	Leased month-to-month
60 East Sir Francis Drake, No. 301 Larkspur, CA 94939	Administrative, operations and sales Offices	Leased to December 1999
7-1 Centro Colon: Paseo Colon San Jose, Costa Rica	Administrative, operations and sales Offices	Leased month-to-month
2nd Floor 200 NAEJA-Dong Chongru-Ku Seoul, Korea	Administrative, operations and sales Offices	Leased to December 1997
1, Kanari St. & Akti Miaouli Piraeuss, 18537 Greece	Administrative Offices	Leased to November 1996
TRANS-TEC SERVICES (SINGAPORE) PTE., LTD. 5 Shenton Way #12-03/04 UIC Building Singapore 0106	Administrative, operations and sales Offices	Leased to March 1997
TRANS-TEC SERVICES (UK) Ltd. 65 Petty France London SW1H 9EU	Administrative, operations and sales Offices	Leased to December 1997

ITEM 3. LEGAL PROCEEDINGS

In January 1993, Hillsborough County, Florida sued International Petroleum Corporation, the Company's Florida subsidiary, along with 170 other defendants (or potentially responsible persons), in the U.S. District Court of the Middle District of Florida. The complaint seeks to recover response or cleanup costs for the Sydney Mine Waste Disposal Site under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. section 9601 et. seq. (CERCLA or Superfund) and under Florida Statutes. The Company intends to vigorously defend this action.

There can be no assurance the Company will prevail in the foregoing legal proceeding, and management cannot estimate at this time the exposure of the Company if it does not prevail in this proceeding. Except for the foregoing, there are no material legal proceedings to which the Company or any of its subsidiaries is a party.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of shareholders, through the solicitation of proxies or otherwise, during the fourth quarter of fiscal year 1995.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock is currently traded on the New York Stock Exchange and the Pacific Stock Exchange under the symbol INT. The following table sets forth, for each quarter within the fiscal years ended March 31, 1995 and 1994, the sale prices of the Company's common stock as reported by the New York Stock Exchange.

	PRICES	
	HIGH	LOW
Year ended March 31, 1995		
First quarter.....	\$ 14 5/8	\$ 11 5/8
Second quarter.....	16 3/8	12 3/4
Third quarter.....	16 3/8	14
Fourth quarter.....	17 3/8	14 5/8
Year ended March 31, 1994		
First quarter.....	\$ 12 1/2	\$ 10 1/2
Second quarter.....	15 3/8	11
Third quarter.....	16	12 1/2
Fourth quarter.....	16 1/8	12 1/2

As of May 25, 1995, there were 478 holders of record of the Company's common stock. During fiscal year 1995, the Board of Directors approved the payment of the following cash dividends:

Declaration Date	Per Share	Record Date	Payment Date
May 9, 1994	.05 cents	June 22, 1994	July 15, 1994
September 9, 1994	.05 cents	September 22, 1994	October 14, 1994
December 9, 1994	.05 cents	December 22, 1994	January 12, 1995
January 19, 1995	.05 cents	March 22, 1995	April 13, 1995
February 22, 1995	.10 cents	March 22, 1995	April 13, 1995

The Company's loan agreement with NationsBank restricts the payment of cash dividends to a maximum of 25% of net income for the preceding four quarters. The Company's payment of the above dividends is in compliance with the NationsBank loan agreement.

On April 12, 1993, the Board of Directors authorized the repurchase from time to time of up to 400,000 shares of the Company's common stock. The timing and quantity of shares to be repurchased will depend upon a number of factors, including market price. As of March 31, 1995, a total of 5,000 shares had been purchased in the open market for approximately \$57,000 pursuant to the repurchase program.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data has been summarized from the Company's consolidated financial statements set forth in Item 8 of this report. The selected financial data should be read in conjunction with the consolidated financial statements and the related notes thereto, and with "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations."

SELECTED FINANCIAL DATA

FOR THE YEAR ENDED MARCH 31,

 1995(4) 1994 1993 1992(1) 1991(1)
 =====
 (In thousands, except earnings per share data)

Consolidated Income Statement Data

Revenue.....	\$361,891	\$250,527	\$254,767	\$190,574	\$211,781
Cost of sales.....	334,134	223,576	230,847	170,442	191,907
Gross profit.....	27,757	26,951	23,920	20,132	19,874
Operating expenses:					
Salaries and wages.....	8,117	6,558	6,039	5,909	5,394
Provision for bad debts.	2,062	5,063	4,437	1,352	1,137
Other.....	6,329	5,560	5,378	4,622	3,554
	16,508	17,181	15,854	11,883	10,085
Income from operations...	11,249	9,770	8,066	8,249	9,789
Other income (expense), net	1,774	(1,333)	180	359	(14)
Income from continuing operations before income taxes.....	13,023	8,437	8,246	8,608	9,775
Provision for income taxes	4,935	3,242	2,984	2,898	3,705
Net income from continuing operations	8,088	5,195	5,262	5,710	6,070

(Continued)

SELECTED FINANCIAL DATA
(Continued)

FOR THE YEAR ENDED MARCH 31,

	1995(4)	1994	1993	1992(1)	1991(1)
	=====	=====	=====	=====	=====

(In thousands, except earnings per share data)

Discontinued operations:

(Loss) income from operations of discontinued environmental services segment (net of applicable income taxes) -	-	-	(1,793)	170	(1,264)
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Loss on disposal of environmental services segment including a provision of \$1,350,000 for operating losses during the phase-out period (net of applicable income taxes).....	-	-	(1,922)	-	-
--	---	---	---------	---	---

Net (loss) income from discontinued operations.....	-	-	(3,715)	170	(1,264)
---	---	---	---------	-----	---------

Net income.....	\$ 8,088	\$ 5,195	\$ 1,547	\$ 5,880	\$ 4,806
	=====	=====	=====	=====	=====

Earnings (losses) per common and common equivalent share:

Income from continuing operations.....	\$ 1.65	\$ 1.10	\$ 1.11	\$ 1.20	\$ 1.29
--	---------	---------	---------	---------	---------

(Loss) income from discontinued operations	-	-	(.78)	.03	(.27)
--	---	---	-------	-----	-------

Net income.....	\$ 1.65	\$ 1.10	\$.33	\$ 1.23	\$ 1.02
	=====	=====	=====	=====	=====

Weighted average shares outstanding.....	4,906	4,734	4,749	4,763	4,713
	=====	=====	=====	=====	=====

(Continued)

SELECTED FINANCIAL DATA
(Continued)

AS OF MARCH 31,

 1995(4) 1994 1993 1992(1) 1991(1)
 =====
 (In thousands)

Consolidated Balance Sheet Data

Current assets.....	\$58,006	\$33,682	\$39,263	\$34,995	\$33,275
Total assets.....	89,536	53,687	54,717	53,210	48,415
Current liabilities (2)..	30,486	13,141	15,587	17,954	14,213
Long-term liabilities (2)	6,984	575	4,760	2,168	7,975
Stockholders' equity (3).	52,066	39,971	34,370	32,689	26,098

- (1) The consolidated financial statements of the Company as of, and for the years ended March 31, 1992 and 1991, have been restated to report separately the net assets and operating results of the discontinued Environmental Services segment.
- (2) During the first quarter of fiscal year 1996, the Company issued 78,550 shares of the Company's common stock in payment of its portion of the class action settlement made in February 1994. Accordingly, the Company reclassified \$1,300,000 from current liabilities to accrued litigation settlement expense, a long-term liability, as of March 31, 1995.
- (3) Three cash dividends of 5 cents per share were declared and paid in fiscal year 1995. Cash dividends of 5 cents and 10 cents per share were declared on January 19, 1995 and February 22, 1995 respectively, and both dividends had a payment date of April 13, 1995. No cash dividends were declared or paid prior to fiscal year 1995.
- (4) Effective January 1, 1995, the Company acquired substantially all of the assets and assumed certain liabilities of Trans-Tec Services, Inc. and Trans-Tec Servicios, S.A. The Company also purchased the stock of Trans-Tec Services (UK) Ltd., which owns Trans-Tec Services (Singapore) Pte., Ltd. The acquisition was accounted for under the purchase method. Accordingly, the selected financial information for the year ended March 31, 1995, includes the results of the Trans-Tec group since January 1, 1995.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with "Item 6 - Selected Financial Data," and with the consolidated financial statements and related notes thereto appearing elsewhere in this report.

Results of Operations

In January 1995, the Company entered the marine fuel business through the acquisition of the Trans-Tec group of companies. The Company acquired substantially all of the assets and assumed certain liabilities of Trans-Tec Services, Inc., a New York corporation, and Trans-Tec Servicios, S.A., a Costa Rica corporation, and acquired all of the outstanding stock of Trans-Tec Services (UK), Ltd., a United Kingdom corporation ("UK"). The UK company owns Trans-Tec Services (Singapore) PTE., Ltd. Accordingly, the consolidated statement of income for the fiscal year ended March 31, 1995, includes the results of operations of the Trans-Tec group of companies from the acquisition date.

The aggregate purchase price was approximately \$14,832,000, including \$321,000 in acquisition costs. At closing, the Company paid approximately \$3,927,000 in cash, \$6,000,000 in the form of 9.0% promissory notes and \$4,584,000 in the form of 387,000 shares of newly issued common stock, which were valued at \$11.84 per share. The purchase price was determined as a result of the Company's arms-length negotiations with Trans-Tec, and its former shareholders.

Profit from the Company's aviation fuel business is directly related to the volume and the margins achieved on sales, as well as the extent to which the Company is required to provision for potential bad debts.

Profit from the Company's marine fuel business is determined primarily by the volume of brokering business generated and by the volume and margins achieved on marine fuel trades.

The Company's profit from oil recycling is principally determined by the spread between the selling price of recycled oil and the cost of collecting and processing waste oil.

Fiscal Year Ended March 31, 1995 Compared to
the Fiscal Year Ended March 31, 1994.

The Company's revenues for the fiscal year ended March 31, 1995 were \$361,891,000, an increase of \$111,364,000, or 44.5%, as compared to revenues of \$250,527,000 for the prior year. The Company's revenues during these periods were attributable to the following segments:

	Fiscal Year Ended March 31,		Percent
	1995	1994	Increase
Aviation Fueling	\$288,728,000	\$233,982,000	23.4%
Marine Fueling	54,578,000	-	*
Oil Recycling	18,591,000	16,554,000	12.3
Intersegment Eliminations	(6,000)	(9,000)	*
Total Revenue	\$361,891,000	\$250,527,000	44.5%
	=====	=====	=====

* Percent not meaningful

The aviation fueling segment sold 456,502,000 gallons of fuel and contributed \$288,728,000 of revenue for the fiscal year ended March 31, 1995. This represented an increase in revenue of \$54,746,000, or 23.4%, as compared to the prior year when the Company sold 321,154,000 gallons of fuel. This increase in revenue was due to an increase in volume, primarily the result of increased bulk sales, partially offset by a price related revenue shortfall which reflects general market conditions. Also offsetting was \$4,688,000 in lower fuel terminaling revenue. The Company's fuel terminaling business, conducted solely at Miami International Airport pursuant to a month-to-month contract, was awarded to another company effective June 30, 1994.

The marine fueling segment traded 465,000 metric tons of bunker fuel and brokered 1,091,000 metric tons, contributing \$53,298,000 and \$824,000 in revenues, respectively. The Company also sold 104,000 gallons in lubricants totalling \$456,000 in revenues.

The oil recycling segment sold 35,015,000 gallons of recycled oil products and contributed \$18,591,000 of revenue for the fiscal year ended March 31, 1995. This was an increase in revenue of \$2,037,000, or 12.3%, as compared to last year when the Company sold 32,756,000 gallons of recycled oil products. The revenue increase reflects higher used oil and waste water collection revenues, higher product volume sold, and a price related increase on recycled product.

The Company's gross profit of \$27,757,000 increased by \$806,000, or 3.0%, as compared to last year. The Company's gross margin decreased from 10.8% for the fiscal year ended March 31, 1994 to 7.7% for the fiscal year ended March 31, 1995.

The Company's aviation fueling segment achieved a 6.9% gross margin for the fiscal year ended March 31, 1995, as compared to 9.8% achieved for the prior fiscal year. The decline in the gross margin was attributed to a narrower average gross profit per gallon, as well as a decline in fuel terminaling gross profit. The decline in the average gross profit per gallon was due to increased bulk sales.

The Company's marine fueling segment achieved a 3.9% gross margin for the fiscal year ended March 31, 1995. The Company's gross margin on trading activities was 2.5%.

The gross margin in the Company's oil recycling segment increased from 24.8% for fiscal year 1994 to 30.9% for fiscal year 1995. This resulted from the combined effects of a higher average sales price of recycled oil, and a lower average cost of collection and processing used oil, and blending recycled oil. This decrease was primarily attributed to the higher volume processed by the Company and the lower cost of operating a batch process in Louisiana.

Total operating expenses for the fiscal year ended March 31, 1995 were \$16,508,000, a decrease of \$673,000, or 3.9%, as compared to the same period a year ago. This decrease resulted from a \$3,001,000 decrease in the provision for bad debts due to a year over year improvement in the quality of accounts receivable, as well as a \$255,000 decline in operating expenses of the Company's used oil segment. Partially offsetting were the operating expenses of the marine segment acquired in January 1995, which totalled \$1,912,000, and an \$877,000 increase in corporate overhead costs, discussed below. In relation to revenue, total operating expenses decreased from 6.9% to 4.6%.

The Company's income from operations for the fiscal year ended March 31, 1995 was \$11,249,000, an increase of \$1,479,000, or 15.1%, as compared to income from operations of \$9,770,000 for the fiscal year ended March 31, 1994. Income from operations during these periods was attributable to the following segments:

	Fiscal Year Ended March 31, 1995	1994	Percent Increase
Aviation Fueling	\$12,304,000	\$12,066,000	2.0%
Marine Fueling	220,000	-	*
Oil Recycling	2,973,000	1,075,000	176.6
Corporate Overhead	(4,248,000)	(3,371,000)	26.0
Total Income From Operations	\$11,249,000	\$ 9,770,000	15.1%

Income from operations of the aviation fueling segment increased \$238,000, or 2.0%, for the fiscal year ended March 31, 1995, as compared to the fiscal year ended March 31, 1994. This increase resulted from higher product volume sold, and a decrease in operating expenses due to a lower provision for bad debts. Partially offsetting were narrower margin fuel sales due to bulk transactions, and lower operating income from the Company's fuel terminaling activities.

The marine fueling segment earned \$220,000 in income from operations for fiscal year 1995. The gross profit for this segment was \$2,132,000, reduced by \$1,912,000 in operating expenses.

Income from operations of the oil recycling segment increased by \$1,898,000, or 176.6%, for the fiscal year ended March 31, 1995, as compared to last year. This increase resulted primarily from higher product volume sold, higher margins on recycled oil and lower operating expenses.

Corporate overhead costs not charged to the business segments totalled \$4,248,000 for the fiscal year ended March 31, 1995, an increase of \$877,000, or 26.0%, as compared to last year. The increase was due to higher salaries and payroll related costs. In relation to sales, total corporate overhead decreased to 1.2% for the fiscal year ended March 31, 1995, as compared to 1.3% for the prior year.

In the fiscal year ended March 31, 1995, the Company had \$1,774,000 in other income, net, an increase of \$3,107,000 as compared to \$1,333,000 in other expense, net for the same period a year ago. In fiscal year 1994, the Company incurred a \$1,300,000 expense related to the settlement of a shareholders class action, originally filed in June 1992. In fiscal year 1995, when compared to the previous fiscal year, the Company earned \$737,000 in foreign currency transaction gains, \$544,000 in equity earnings of a joint venture, and \$502,000 in net interest income which is the result of the Company's improved liquidity.

Net income for the fiscal year ended March 31, 1995 was \$8,088,000, an increase of \$2,893,000, as compared to net income for the fiscal year ended March 31, 1994. Earnings per share of \$1.65 for the fiscal year ended March 31, 1995 exhibited a \$0.55 increase over the \$1.10 achieved during the same period last year.

Fiscal Year Ended March 31, 1994 Compared to
the Fiscal Year Ended March 31, 1993.

The Company's revenues for the fiscal year ended March 31, 1994 were \$250,527,000, a decrease of \$4,240,000, or 1.7%, as compared to revenues of \$254,767,000 for the prior year. The Company's revenues during these periods were attributable to the following segments:

	Fiscal Year Ended March 31,		Percent
	1994	1993	Increase (Decrease)
Aviation Fueling	\$233,982,000	\$241,055,000	(2.9%)
Oil Recycling	16,554,000	14,014,000	18.1
Intersegment Eliminations	(9,000)	(302,000)	*
Total Revenue	\$250,527,000	\$254,767,000	(1.7%)
	=====	=====	=====

* Percent not meaningful.

The aviation fueling segment sold 321,154,000 gallons of fuel and contributed \$233,982,000 of revenue for the fiscal year ended March 31, 1994. This represented a decrease in revenue of \$7,073,000, or 2.9%, as compared to the prior year when the Company sold 312,485,000 gallons of fuel. This decrease in revenue was due to a price related revenue shortfall which reflects general market conditions as well as competitive pressures. Partially offsetting was an increase in volume, attributed to market expansion (both domestic and international), and \$1,363,000 in higher revenue contributed by the fuel terminaling operation.

The oil recycling segment sold 32,756,000 gallons of recycled oil products and contributed \$16,554,000 of revenue for the fiscal year ended March 31, 1994. This was an increase in revenue of \$2,540,000, or 18.1%, as compared to the prior year when the Company sold 25,484,000 gallons of recycled oil products. This reflects additional revenues provided by the Company's used oil and waste water collection activities and an improvement related to higher product volume sold. These increases reflect the opening of the Wilmington, Delaware operation. Partially offsetting was a price related decline on recycled product which resulted from an overall decline in fuel prices.

The Company's gross profit of \$26,951,000 increased by \$3,031,000, or 12.7%, as compared to the prior year. The Company's gross margin increased from 9.4% for the fiscal year ended March 31, 1993 to 10.8% for the fiscal year ended March 31, 1994. The gross margin improvement in the Company's aviation segment offset the decline in the oil recycling segment gross margin, as explained below.

The Company's aviation fuel business achieved a 9.8% gross margin for the fiscal year ended March 31, 1994, as compared to 8.0% achieved for the same period during the prior fiscal year. Excluding the fuel terminaling operations, the aviation fueling business achieved a gross margin of 8.2% in fiscal year 1994, as compared to 6.8% in fiscal year 1993. The improvement in the gross margin was attributed to the decline in the average sales price per gallon while the gross profit per gallon improved.

The gross margin in the Company's oil recycling operations decreased from 34.2% for the fiscal year ended March 31, 1993 to 24.8% for the fiscal year ended March 31, 1994. This resulted from the combined effects of a lower average sales price of recycled oil and a higher average cost of collecting and processing used oil, and blending recycled oil. These costs increased primarily because of the under-utilization of the Company's facilities.

Total operating expenses for the fiscal year ended March 31, 1994 were \$17,181,000, an increase of \$1,327,000, or 8.4%, as compared to the fiscal year ended March 31, 1993. Of this increase, \$626,000 was due to increased charges to the provision for bad debts. For the fiscal year ended March 31, 1994, the Company charged \$5,063,000 to the provision for bad debts, primarily to replenish the allowance for bad debts for charge-offs. The charge-offs and increases to the provision for bad debts are due primarily to collection problems encountered by the Company in its aviation segment. During fiscal year 1994, the Company has seen improvement in the quality of its accounts receivable with a substantial reduction in accounts with balances over 90 days old. Also contributing to the increase in total operating expenses was \$398,000 related to the opening of the Wilmington, Delaware plant and \$500,000 in legal fees, an increase related primarily to the collection of past due accounts receivable.

The Company's income from operations for the fiscal year ended March 31, 1994 was \$9,770,000, an increase of \$1,704,000, or 21.1%, as compared to income from operations of \$8,066,000 for the same period last year. Income from operations during these periods was attributable to the following segments:

	Fiscal Year Ended March 31,		Percent
	1994	1993	Increase (Decrease)
	-----	-----	-----
Aviation Fueling	\$12,066,000	\$ 8,911,000	35.4%
Oil Recycling	1,075,000	2,333,000	(53.9)
Corporate Overhead	(3,371,000)	(3,001,000)	12.3
Intersegment Eliminations	-	(177,000)	*
	-----	-----	
Total Income From Operations	\$ 9,770,000	\$ 8,066,000	21.1%
	=====	=====	=====

* Percent not meaningful.

Income from operations of the aviation fueling segment increased \$3,155,000, or 35.4%, for the fiscal year ended March 31, 1994, as compared to the prior year. This increase resulted from higher product volume sold, improved margins on fuel sales, and higher operating income from the Company's fuel terminaling activities. Partially offsetting was an increase in operating expenses, which included higher charges to the provision for bad debts and higher legal fees related to the collection of past due accounts receivables. The increase in operating expenses was partly offset by a reduction in salaries mostly associated with the December 31, 1992, expiration of certain employment and non-compete agreements. Also offsetting the increase in operating expenses was a decrease in administrative expenses.

The fuel terminaling business was conducted solely at Miami International Airport, pursuant to a month-to-month contract, and accounted for 34.3% of the aviation segment's operating income during the fiscal year. This contract was awarded to another company effective June 30, 1994.

Income from operations of the oil recycling segment decreased by \$1,258,000, or 53.9%, for the fiscal year ended March 31, 1994, as compared to the prior year. This decrease in income from operations was in part due to a decline in gross profit which resulted from the low utilization of the Company's two main recycling plants. The Florida plant was impacted by a slowdown in sales to phosphate mining customers and the Delaware plant was a start-up operation. Although used oil collection revenues were up, sales of recycled products were lower during fiscal year 1994, when compared to the prior year. The balance of the decline in income from operations was due to an increase in operating expenses which primarily related to the Delaware operation.

Corporate overhead costs not charged to the business segments totalled \$3,371,000 for the fiscal year ended March 31, 1994, an increase of \$370,000, or 12.3%, as compared to the prior year. The increase was due to higher salaries and payroll related costs. In relation to sales, total corporate overhead increased from 1.2% in fiscal year 1993 to 1.3% in fiscal year 1994.

During the fiscal year ended March 31, 1993, the Company had other income, net of \$180,000, reflecting the capitalization of interest during construction of the Delaware plant. In fiscal year 1994, the Company had other expense, net of \$1,333,000, which included a non-recurring charge in the fourth quarter of fiscal year 1994 for the settlement of the shareholders class action which was filed on June 23, 1992.

The Company's net income from continuing operations for the fiscal year ended March 31, 1994 was \$5,195,000, a decrease of \$67,000, or 1.3%, as compared to net income from continuing operations of \$5,262,000 for the prior year. Earnings per share from continuing operations was \$1.10 for the fiscal year ended March 31, 1994, and decreased 0.9%, as compared to the \$1.11 earnings per share achieved during fiscal year 1993.

Net income for the fiscal year ended March 31, 1994, was \$5,195,000, an increase of \$3,648,000, as compared to net income for fiscal year 1993. Last year's net income included a \$3,715,000 after-tax loss from the Company's discontinued environmental services segment operations. Earnings per share of \$1.10 for the fiscal year ended March 31, 1994, exhibited a \$.77 increase over the \$.33 achieved during the prior year.

Liquidity and Capital Resources

In the Company's aviation and marine fuel businesses, the primary use of capital is to finance accounts receivable. The Company maintains aviation fuel inventories in the United States for competitive reasons. On average, inventory levels represent less than a three week demand. The Company's aviation and marine fuel businesses do not require significant capital investment in fixed assets as the Company subcontracts fueling services and maintains inventory at third party storage facilities.

In relation to the Company's aviation and marine fueling segments, the oil recycling segment is capital intensive. The Company normally utilizes internally generated cash to fund capital expenditures, and secondarily the Company will utilize its available line of credit or enter into leasing or installment note arrangements to match-fund the useful life of certain long-term assets with the related debt. The Company's oil recycling operations also require working capital to purchase and carry an inventory of used oil, as well as the costs of operating the plant until the proceeds from the re-refined oil sales are received.

Cash and cash equivalents amounted to \$10,907,000 at March 31, 1995, as compared to \$7,699,000 at March 31, 1994. The principal sources of cash during the fiscal year ended March 31, 1995 were \$9,299,000 in net cash provided by operating activities, \$768,000 from collections on notes receivable, and \$918,000 from the issuance of common stock in connection with the exercise of warrants and options. Partially offsetting the increase in cash and cash equivalents was \$3,184,000 used for the purpose of acquiring the Trans-Tec group of companies, \$2,194,000 used for the purchase and construction of plant, equipment and other capital expenditures, net of proceeds from sales of assets, \$717,000 in dividends paid on common stock, and \$338,000 in advances to a joint venture. Other components of changes in cash and cash equivalents are detailed in the Consolidated Statements of Cash Flows.

Working capital as of March 31, 1995 was \$27,520,000, exhibiting a \$6,979,000 increase from working capital as of March 31, 1994. As of March 31, 1995, the Company's accounts receivable, excluding the allowance for bad debts, amounted to \$43,366,000, an increase of \$21,025,000 as compared to the March 31, 1994 balance. This increase was due primarily to the acquisition of the marine segment which added \$18,347,000 in accounts receivable. The allowance for doubtful accounts as of March 31, 1995 amounted to \$4,566,000, an increase of \$2,102,000, when compared to the March 31, 1994 balance. During the fiscal year ended March 31, 1995, the Company charged \$2,062,000 to the provision for bad debts and had charge-offs in excess of recoveries of \$271,000.

Inventories at March 31, 1995 were \$933,000 higher as compared to March 31, 1994. This consisted of a \$427,000 increase in inventories in the oil recycling segment, and a \$506,000 increase in the aviation fueling segment.

Capital expenditures for the fiscal year ended March 31, 1995 consisted primarily of \$474,000 in construction costs related to the Company's Louisiana plant, \$958,000 to acquire trucks utilized in the collection of used oil and petroleum contaminated water, and delivery of recycled products, as well as \$298,000 in office equipment and furniture. During fiscal year 1996, the Company anticipates spending approximately \$1,000,000 to upgrade plant, machinery and equipment. The Company also anticipates spending an additional estimated \$1,000,000 over the next several years to clean up contamination which was present at one of the Company's sites when it was acquired by the Company. Clean up will be capitalized as part of the cost of the site, up to the fair market value of the site.

Current maturities of long-term debt amounted to \$2,128,000 as of March 31, 1995, an increase of \$1,842,000. This increase resulted from the issuance of promissory notes, of which \$1,830,000 is current, related to the acquisition of the Trans-Tec group of companies.

In the aggregate, accounts payable, accrued expenses and customer deposits increased \$14,885,000. This increase was largely due to the acquisition of the Trans-Tec group of companies which added \$12,316,000 in accounts payable, accrued expenses and customer deposits. Accrued salaries and wages increased \$461,000, principally as the result of accrued sales and management performance bonuses pursuant to employment agreements.

Long-term liabilities as of March 31, 1995, were \$6,984,000, exhibiting a \$6,409,000 increase as compared to March 31, 1994. This increase resulted from the issuance of promissory notes, of which \$4,170,000 is long-term, related to the acquisition of the Trans-Tec group of companies. The balance of the increase is the result of the reclassification of the \$1,300,000 accrued litigation settlement expense from current liabilities to a long-term liability and the assumption of obligations under the Trans-Tec deferred compensation plan which amounted to \$1,237,000. For additional information, see the accompanying financial statements.

Stockholders' equity amounted to \$52,066,000, or \$10.01 per share, at March 31, 1995 compared to \$39,971,000, or \$8.44 per share, at March 31, 1994. This increase of \$12,095,000 was due to \$8,088,000 in earnings for the period, \$4,584,000 resulting from the issuance of common stock in connection with the acquisition of the Trans-Tec group of companies, and \$455,000 and \$463,000 due to the issuance of common stock pursuant to the exercise of stock options and warrants, respectively. Partially offsetting was \$1,509,000 in cash dividends declared.

The Company's working capital requirements for fiscal year 1996 will increase as a result of acquiring the Trans-Tec group of companies. The Company expects to meet its working capital requirements for fiscal year 1996 from existing cash, operations and additional borrowings, as necessary, under its existing line of credit.

The Company's business has not been significantly affected by inflation during the periods discussed in this report.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Attached hereto and filed as a part of this Form 10-K are the financial statements required by Regulation S-X and the supplementary data required by Regulation S-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

No disagreements with accountants on any matter of accounting principles or practices or financial statement disclosure have been reported on a Form 8-K within the twenty-four months prior to the date of the most recent financial statement.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information concerning the directors and executive officers of the Company set forth under the captions "Election of Directors" and "Information Concerning Executive Officers", respectively in the definitive Proxy Statement of the Company for its 1995 Annual Meeting of Shareholders (the "1995 Proxy Statement") is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information set forth in the 1995 Proxy Statement under the caption "Compensation of Officers" and "Board of Directors - Compensation of Directors" is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information set forth under the caption "Principal Stockholders and Security Ownership of Management" in the 1995 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information set forth under the caption "Transactions with Management and Others" in the 1995 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT
SCHEDULES AND REPORTS ON FORM 8-K

	Sequential Page Number =====
(a)(1) The following Financial Statements are filed as a part of this report:	
(i) Report of Independent Certified Public Accountants	31
(ii) Consolidated Balance Sheets as of March 31, 1995 and 1994	32
(iii) Consolidated Statements of Income for the Years Ended March 31, 1995, 1994 and 1993	34
(iv) Consolidated Statements of Stock- holders' Equity for the Years Ended March 31, 1995, 1994 and 1993	36
(v) Consolidated Statements of Cash Flows for the Years Ended March 31, 1995, 1994 and 1993	37
(vi) Notes to Consolidated Financial Statements	40
(a)(2) The following Financial Statement Schedule is filed as a part of this report:	
(i) Schedule II - Valuation and Qualifying Accounts.	57

Schedules not set forth herein have been omitted either because the required information is set forth in the Consolidated Financial Statements or Notes thereto, or the information called for is not required.

- (a)(3) The Exhibits set forth in the following index of Exhibits are filed as a part of this report:

EXHIBIT NO. -----	DESCRIPTION -----
(2)	Plan of acquisition, reorganization, arrangement, liquidation or succession: <ul style="list-style-type: none">(a) Acquisition Agreement dated December 9, 1994 among International Recovery Corp., Trans-Tec Services, Inc., Trans-Tec Servicios, S.A., Theofilos A. Vatis, Michael J. Kasbar, Paul H. Stebbins, and Stacey A. Polites is incorporated by reference to the Company's Form 8-K filed January 18, 1995.
(3)	Articles of Incorporation and By-laws: <ul style="list-style-type: none">(a) Articles of Incorporation are incorporated by reference to the Company's Registration Statement on Form S-18 filed February 3, 1986.(b) By-laws are incorporated by reference to the Company's Registration Statement on Form S-18 filed February 3, 1986.
(4)	Instruments defining rights of security holders: <ul style="list-style-type: none">(a) Employee Stock Option Plan is incorporated by reference to the Company's Registration Statement on Form S-18 filed February 3, 1986.(b) 1993 Non-Employee Directors Stock Option Plan is incorporated by reference to the Company's Schedule 14A filed June 28, 1994.

(10)

Material Contracts

- (a) Material Contracts incorporated by reference to the Company's Report on Form 10-K filed June 17, 1991:
 - (i) Revolving Loan Agreement and Credit Facility, dated March 1, 1991, among The Citizens & Southern National Bank (now known as NationsBank of Florida, N.A.), International Recovery and its subsidiaries.
 - (ii) Promissory Note, dated March 1, 1991, executed by International Recovery Corp. and its subsidiaries in favor of The Citizens & Southern National Bank (now known as NationsBank of Florida, N.A.)
- (b) Material Contract incorporated by reference to the Company's Report on Form 10-K filed May 24, 1993.
 - (i) Amended and Restated Employment Agreement with Phillip S. Bradley, dated November 10, 1992, amending and restating his employment and non-competition agreements.
- (c) Material contracts incorporated by reference to the Company's Report on Form 10-K filed May 9, 1994.
 - (i) Consolidated Amendment No. 2 dated January 21, 1994 among NationsBank of Florida, N.A., International Recovery Corp. and its subsidiaries.
 - (ii) Promissory Note, dated January 21, 1994, executed by International Recovery Corp. and its subsidiaries in favor of NationsBank of Florida, N.A.

- (d) Material contracts filed with this Form 10-K.
- (i) Amended and Restated Employment Agreement with Jerrold Blair, dated February 15, 1995.
 - (ii) Amended and Restated Employment Agreement with Ralph Weiser, dated February 15, 1995.
 - (iii) Consolidated Amendment Agreement dated May 5, 1995, No. 3 among NationsBank of Florida, N.A., International Recovery Corp. and its subsidiaries.
 - (iv) Promissory Note dated January 3, 1995, executed by International Recovery Corp. in favor of Theofilos A. Vatis.
 - (v) Promissory Note dated January 3, 1995, executed by International Recovery Corp. in favor of Michael J. Kasbar.
 - (vi) Promissory Note dated January 3, 1995, executed by International Recovery Corp. in favor of Paul H. Stebbins.
 - (vii) Promissory Note dated January 3, 1995, executed by International Recovery Corp. in favor of Stacey A. Polites.

(21) Subsidiaries of the Registrant

(23) Consent of Independent Certified Public Accountants

(27) Financial Data Schedule

- (b) A Form 8-K was filed during the Company's fiscal year ended March 31, 1995.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTERNATIONAL RECOVERY CORP.

Dated: May 22, 1995 By: /S/ Jerrold Blair

Jerrold Blair, President

Dated: May 22, 1995 By: /S/ Carlos A. Abaunza

Carlos A. Abaunza, Chief
Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: May 22, 1995 By: /S/ Ralph R. Weiser

Ralph R. Weiser, Director

Dated: May 22, 1995 By: /S/ Jerrold Blair

Jerrold Blair, Director

Dated: May 22, 1995 By: /S/ Phillip S. Bradley

Phillip S. Bradley, Director

Dated: May 22, 1995 By: /S/ Ralph Feuerring

Ralph Feuerring, Director

Dated: May 22, 1995 By: /S/ John R. Benbow

John R. Benbow, Director

Dated: May 22, 1995 By: /S/ Celestin Durand III

Celestin Durand III, Director

Dated: May 22, 1995 By: /S/ Myles Klein

Myles Klein, Director

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of
International Recovery Corp.:

We have audited the accompanying consolidated balance sheets of International Recovery Corp. (a Florida corporation) and subsidiaries as of March 31, 1995 and 1994, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended March 31, 1995. These consolidated financial statements and the schedule referred to below are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and the schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Recovery Corp. and subsidiaries as of March 31, 1995 and 1994, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 1995 in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed in Item 14 (a)(2) is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Miami, Florida,
May 19, 1995.

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS

	MARCH 31,	
	1995	1994
	=====	=====
CURRENT ASSETS:		
Cash and cash equivalents	\$10,907,000	\$ 7,699,000
Accounts receivable, net of allowance for bad debts of \$4,566,000 and \$2,464,000 at March 31, 1995 and 1994, respectively	38,800,000	19,877,000
Inventories	3,714,000	2,781,000
Prepaid expenses and other current assets	4,585,000	3,325,000
	-----	-----
Total current assets	58,006,000	33,682,000
	-----	-----
PROPERTY, PLANT AND EQUIPMENT, at cost:		
Land	705,000	705,000
Buildings and improvements	2,929,000	3,272,000
Office equipment and furniture	2,394,000	1,549,000
Plant, machinery and equipment	15,052,000	12,751,000
Construction in progress	184,000	1,089,000
	-----	-----
	21,264,000	19,366,000
Less accumulated depreciation and amortization	5,680,000	4,950,000
	-----	-----
	15,584,000	14,416,000
	-----	-----
OTHER ASSETS:		
Unamortized cost in excess of net assets of acquired companies, net of accumulated amortization	12,391,000	1,847,000
Other	3,555,000	3,742,000
	-----	-----
	\$89,536,000	\$53,687,000
	=====	=====

(Continued)

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Continued)

LIABILITIES AND STOCKHOLDERS' EQUITY

	MARCH 31,	
	1995	1994
	=====	=====
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 2,128,000	\$ 286,000
Accounts payable and accrued expenses	24,334,000	9,908,000
Customer deposits	1,559,000	1,100,000
Accrued salaries and wages	747,000	286,000
Accrued litigation settlement expense	-	1,300,000
Income taxes payable	1,718,000	261,000
	-----	-----
Total current liabilities	30,486,000	13,141,000
	-----	-----
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities	4,447,000	575,000
Accrued litigation settlement expense	1,300,000	-
Deferred compensation	1,237,000	-
	-----	-----
	6,984,000	575,000
	-----	-----
COMMITMENTS AND CONTINGENCIES		
(Notes 2, 3, 5, 6, and 7)		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$1.00 par value; 100,000 shares authorized, none issued	-	-
Common stock, \$.01 par value; 10,000,000 shares authorized, 5,203,000 and 4,738,000 shares issued and outstanding at March 31, 1995 and 1994, respectively	52,000	47,000
Capital in excess of par value	20,440,000	14,929,000
Retained earnings	31,631,000	25,052,000
Less treasury stock, at cost	57,000	57,000
	-----	-----
	52,066,000	39,971,000
	-----	-----
	\$89,536,000	\$53,687,000
	=====	=====

The accompanying notes to the consolidated financial statements are an integral part of these consolidated balance sheets.

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

	For the Year Ended March 31,		
	1995	1994	1993
	=====	=====	=====
Revenue	\$361,891,000	\$250,527,000	\$254,767,000
Cost of sales	334,134,000	223,576,000	230,847,000
Gross profit	27,757,000	26,951,000	23,920,000
Operating expenses:			
Salaries and wages	8,117,000	6,558,000	6,039,000
Provision for bad debts	2,062,000	5,063,000	4,437,000
Other	6,329,000	5,560,000	5,378,000
	16,508,000	17,181,000	15,854,000
Income from operations	11,249,000	9,770,000	8,066,000
Other income (expense):			
Litigation settlement	-	(1,300,000)	-
Other, net	1,774,000	(33,000)	180,000
	1,774,000	(1,333,000)	180,000
Income from continuing operations before income taxes	13,023,000	8,437,000	8,246,000
Provision for income taxes	4,935,000	3,242,000	2,984,000
Net income from continuing operations	8,088,000	5,195,000	5,262,000

(Continued)

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Continued)

For the Year Ended March 31,

	----- 1995 -----	1994 -----	1993 -----
Discontinued operations:			
Loss from operations of discontinued environmental services segment (net of applicable income tax benefit of \$1,033,000)	-	-	(1,793,000)
Loss on disposal of environmental services segment including a provision of \$1,350,000 for operating losses during the phase-out period (net of applicable income tax benefit of \$993,000)	-	-	(1,922,000)
Net loss from discontinued operations	-	-	(3,715,000)
Net income	\$8,088,000	\$ 5,195,000	\$ 1,547,000
Earnings (losses) per common and common equivalent share:			
Income from continuing operations	\$ 1.65	\$ 1.10	\$ 1.11
Loss from discontinued operations	-	-	(.78)
Net income	\$ 1.65	\$ 1.10	\$.33
Weighted average shares outstanding	4,906,000	4,734,000	4,749,000

The accompanying notes to the consolidated financial statements are an integral part of these consolidated statements.

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Treasury Stock
	Shares	Amount			
Balance at March 31, 1992	4,689,000	\$ 47,000	\$14,332,000	\$18,310,000	\$ -
Exercise of warrants	15,000	-	105,000	-	-
Net income	-	-	-	1,547,000	-
Other	-	-	29,000	-	-
Balance at March 31, 1993	4,704,000	47,000	14,466,000	19,857,000	-
Exercise of warrants	39,000	-	463,000	-	-
Repurchase of common stock	(5,000)	-	-	-	(57,000)
Net income	-	-	-	5,195,000	-
Balance at March 31, 1994	4,738,000	47,000	14,929,000	25,052,000	(57,000)
Exercise of warrants	38,000	-	463,000	-	-
Exercise of options	40,000	-	455,000	-	-
Issuance of shares for acquisition	387,000	5,000	4,579,000	-	-
Cash dividends declared	-	-	-	(1,509,000)	-
Net income	-	-	-	8,088,000	-
Other	-	-	14,000	-	-
Balance at March 31, 1995	5,203,000	\$ 52,000	\$20,440,000	\$31,631,000	\$ (57,000)

The accompanying notes to the consolidated financial statements are an integral part of these consolidated statements.

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended March 31,		
	1995	1994	1993
	=====	=====	=====
Cash flows from operating activities:			
Net income	\$ 8,088,000	\$ 5,195,000	\$ 1,547,000
Adjustments to reconcile net income to net cash provided by (used in) operating activities-			
Estimated loss on disposal of discontinued operations	-	-	1,233,000
Depreciation and amortization	1,373,000	1,502,000	1,473,000
Provision for bad debts	2,062,000	5,063,000	4,437,000
Litigation settlement	-	1,300,000	-
Deferred income tax (benefit) provision	181,000	(176,000)	(441,000)
Equity in earnings of joint venture	(544,000)	-	-
Deferred compensation expense	-	-	29,000
Other non-cash operating charges (credits)	35,000	(4,000)	19,000
Changes in assets and liabilities, net of assets acquired and liabilities assumed:			
(Increase) decrease in-			
Accounts receivable	1,959,000	223,000	(6,921,000)
Inventories	(933,000)	165,000	(278,000)
Prepaid expenses and other current assets	(72,000)	(1,347,000)	(36,000)
Net cash provided by discontinued operations	-	2,431,000	1,033,000
Other assets	(15,000)	332,000	(29,000)
Increase (decrease) in-			
Accounts payable, accrued expenses, customer deposits and deferred compensation	(4,148,000)	(1,751,000)	(3,957,000)
Accrued salaries and wages	461,000	(299,000)	79,000
Income taxes payable	852,000	(1,510,000)	1,703,000
Total adjustments	1,211,000	5,929,000	(1,656,000)
Net cash provided by (used in) operating activities	9,299,000	11,124,000	(109,000)

(Continued)

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Continued)

	For the Year Ended March 31,		
	1995	1994	1993
	=====	=====	=====
Cash flows from investing activities:			
Additions to property, plant and equipment	(2,194,000)	(3,114,000)	(3,885,000)
Proceeds from sales of assets	585,000	77,000	93,000
Payment for acquisition of business, net of cash acquired	(3,184,000)	-	-
Purchase of short-term investments	(3,500,000)	-	-
Proceeds from short-term investments	3,500,000	-	-
Proceeds from notes receivable	768,000	-	-
Advances to joint venture	(338,000)	-	-
	-----	-----	-----
Net cash used in investing activities	(4,363,000)	(3,037,000)	(3,792,000)
	-----	-----	-----
Cash flows from financing activities:			
Net (repayments) borrowings under the revolving line of credit	-	(4,000,000)	3,000,000
Repayment of long-term debt	(286,000)	(489,000)	(511,000)
Proceeds from issuance of notes payable	-	-	750,000
Repayment of notes payable	(1,643,000)	-	(839,000)
Proceeds from issuance of common stock	918,000	463,000	105,000
Repurchase of common stock	-	(57,000)	-
Dividends paid on common stock	(717,000)	-	-
	-----	-----	-----
Net cash (used in) provided by financing activities	(1,728,000)	(4,083,000)	2,505,000
	-----	-----	-----
Net increase (decrease) in cash and cash equivalents	3,208,000	4,004,000	(1,396,000)
Cash and cash equivalents, at beginning of year	7,699,000	3,695,000	5,091,000
	-----	-----	-----
Cash and cash equivalents, at end of year	\$10,907,000	\$ 7,699,000	\$3,695,000
	=====	=====	=====

(Continued)

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Continued)

For the Year Ended March 31,

	1995	1994	1993
	=====	=====	=====
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION, including discontinued operations:			
Cash paid during the year for:			
Interest, net of capitalized interest	\$ 129,000	\$ 149,000	\$ 67,000
	=====	=====	=====
Income taxes	\$3,714,000	\$3,219,000	\$1,912,000
	=====	=====	=====

SUPPLEMENTAL SCHEDULE OF NONCASH
INVESTING AND FINANCING ACTIVITIES:

In April 1995, the Company paid \$1,300,000, representing its share of the stockholders class action settlement, by issuing 78,550 of the Company's common stock at an agreed upon price of \$16.55 per share. Accordingly, as of March 31, 1995, the Company reclassified from current liabilities to long-term liabilities the accrued litigation settlement expense.

In connection with the acquisition of the Trans-Tec group of companies, the Company also issued 387,000 of its common stock valued at \$4,584,000, and \$6,000,000 in notes payable. See Note 1 for additional information.

Cash dividends declared, but not yet paid totaling \$792,000, are included in accounts payable and accrued expenses as of March 31, 1995.

In connection with the sale of certain land and buildings, the Company received \$1,317,000 in notes receivable during fiscal year 1994.

Net assets totaling \$419,000 were transferred from the Company's discontinued operations to continuing operations during fiscal year 1994. Equipment totaling \$185,000 was transferred from the Company's discontinued operations to continuing operations during fiscal year 1993.

Borrowings totaling \$220,000 were incurred during fiscal year 1994 in connection with the acquisition of equipment.

Accounts receivable totaling \$1,500,000 as of March 31, 1993, were converted to long-term notes receivable during fiscal year 1994.

The accompanying notes to the consolidated financial statements are an integral part of these consolidated statements.

INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

International Recovery Corp. (the "Company") was incorporated on July 20, 1984. The Company is involved in three principal businesses. The Company markets aviation and marine fuel and recycles used oil.

Organization and Nature of Acquisitions and Divestitures

In December 1986, the Company entered the aviation fueling business with the acquisition of Advance Petroleum, Inc. ("Advance"). In October 1989, the Company expanded its aviation fueling capabilities by acquiring JCo Energy Partners, Ltd. and shortly thereafter renamed these operations World Fuel Services, Inc.

The Company formed a subsidiary, Air-Terminaling, Inc. ("ATI") which began operations in December 1991. ATI managed the fuel storage facilities owned by the Metropolitan Dade County, Florida Aviation Department Authority which are used to distribute aviation fuel at Miami International Airport. On May 3, 1994, the Metropolitan Dade County Board of Commissioners voted to award the fuel management contract to another company effective June 30, 1994.

The Company formed a subsidiary, International Petroleum Corp. of Delaware which began operations in April 1993, upon the completion of its used oil and water recycling plant in Wilmington, Delaware.

In August 1994, the Company began aviation fueling operations in Ecuador through a joint venture which enables the Company to provide point-to-point aviation fuel sales within Ecuador. See Note 7 for additional information.

On January 3, 1995, the Company entered the marine fueling business by purchasing the assets and assuming certain liabilities of Trans-Tec Services, Inc. and Trans-Tec Servicios, S.A. The Company also purchased the stock of Trans-Tec Services (UK) Ltd., which owns Trans-Tec Services, (Singapore) Pte., Ltd. The acquisition of Trans-Tec by the Company has been accounted for as a purchase. The aggregate purchase price, including acquisition costs of approximately \$321,000, was \$14,832,000. The Company paid approximately \$3,927,000 in cash, \$6,000,000 in the form of 9% promissory notes, payable over three years, of which \$1,830,000 is due within one year, and \$4,584,000 (\$11.84 per share, or approximately 78% of the quoted market price) in the Company's restricted common stock. In accordance with the related acquisition agreement, the Company can recover a portion of the purchase price (by direct offset to the promissory notes issued to certain of the sellers) in the event that certain representations and warranties related to the collectability of accounts receivables are not met. The newly issued shares of the Company's common stock issued in connection with the acquisition were valued by the Company's Board of Directors. This valuation was made based upon the volume of shares issued in relation to total shares outstanding and the restricted nature of the newly issued shares. The difference between the purchase price and the \$4,158,000 fair value of the net assets of the acquired companies, which amounted to \$10,674,000, has been allocated to goodwill, and is being amortized over a period of 35 years. The Company determined that no other identifiable intangible assets existed.

The following unaudited pro-forma results of operations for the fiscal years ended March 31, 1995 and 1994 assume that the Company acquired the Trans-Tec companies, as of April 1, 1993.

	For the Year Ended March 31,	
	1995	1994
	=====	=====
Revenue	\$524,893,000	\$388,094,000
	=====	=====
Net income	\$ 8,585,000	\$ 6,117,000
	=====	=====
Net income per share	\$ 1.65	\$ 1.19
	=====	=====

In December 1992, the Board of Directors approved the Company's exit from the environmental services sector. The Company substantially completed its plan of discontinuance in fiscal year 1994. See Note 2 for additional discussion.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

The Company classifies as cash equivalents all highly liquid investments with a maturity of three months or less from the date of purchase. The Company's investments at March 31, 1995 and 1994, amounted to \$8,863,000 and \$7,712,000 respectively, and consisted principally of bank repurchase agreements collateralized by United States Government Securities. Investment maturities do not exceed 30 days and are not rated lower than A1-P1 by Standard & Poor's Corporation - Moody's Investors Services, Inc. Interest income, which is included in other, net, in the accompanying statements of income, totalled \$765,000, \$182,000 and \$83,000 for the years ended March 31, 1995, 1994 and 1993, respectively. Effective April 1, 1994, the Company adopted FASB No. 115, "Accounting for Certain Investments in Debt and Equity Securities" as required. The adoption of this pronouncement did not have a material effect on the Company's financial position or results of operations.

Inventories

Inventories are stated at the lower of cost (principally, first-in, first-out) or market. Components of inventory cost include oil and fuel purchase cost, direct materials, direct and indirect labor and factory overhead.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	YEARS
	=====
Buildings and improvements	10-40
Leasehold improvements	Minimum term of the lease
Office equipment and furniture	3-8
Plant, machinery and equipment	3-40

The Company leases premises in New Orleans, Louisiana and Plant City, Florida. The leases expire in August 1996. The Company has an option to purchase the properties at current market value at any time during the lease term. The Company intends to exercise the purchase options and, accordingly, is depreciating the improvements to the premises over their estimated economic lives. See Note 6 for additional information.

Costs of major additions and improvements are capitalized and expenditures for maintenance and repairs which do not extend the lives of the assets are expensed. Upon sale or disposition of property, plant and equipment, the cost and related accumulated depreciation are eliminated from the accounts and any resultant gain or loss is credited or charged to income.

Unamortized Cost in Excess of Net Assets of Acquired Companies

Unamortized cost in excess of net assets of acquired companies is being amortized over 35-40 years using the straight-line method. Accumulated amortization amounted to \$413,000 and \$284,000, as of March 31, 1995 and 1994, respectively. Subsequent to its acquisition, the Company continually evaluates whether later events and circumstances have occurred that indicate the remaining estimated useful life of this asset may warrant revision or that the remaining balance of this asset may not be recoverable.

Revenue Recognition

Revenue is generally recorded in the period when the sale is made or as the services are performed. In the Company's aviation and marine fueling segments, the Company contracts third parties to provide the fuel and/or intoplane services. This may cause delays in receiving the necessary information for invoicing. Accordingly, revenue may be recognized in a period subsequent to when the delivery of fuel took place. Costs not yet billed are classified as current assets and are included under "Inventories".

Income Taxes

The Company and its United States subsidiaries file consolidated income tax returns. During the first quarter of fiscal year 1994, the Company adopted the liability method of accounting for income taxes pursuant to the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes". See Note 4 for additional information.

Foreign Currency Translation

The Company's primary functional currency is the U.S. Dollar which also serves as its reporting currency. Most foreign entities translate monetary assets and liabilities at fiscal year-end exchange rates while non-monetary items are translated at historical rates. Income and expense accounts are translated at the average rates in effect during the year, except for depreciation which is translated at historical rates. The Company's joint venture uses the Company's reporting currency as the functional currency (as it operates in a highly inflationary economy) and translates net assets at fiscal year-end rates while income and expense accounts are translated at average exchange rates. Gains or losses from changes in exchange rates are recognized in consolidated income in the year of occurrence.

The Company's purchases from certain aviation fuel suppliers are denominated in local currency. Foreign currency exchange gains and losses resulting from payments to aviation fuel suppliers are included in Other, net, in the period incurred, and amounted to net gains of \$737,000 for the fiscal year ended March 31, 1995. There were no significant foreign currency gains or losses in fiscal years 1994 and 1993.

Earnings Per Share

Earnings (losses) per common and common equivalent share have been computed by dividing net income (loss) by the weighted average number of shares of common stock and common stock equivalents outstanding. Common stock equivalents include all potentially dilutive outstanding stock options and warrants applying the treasury stock method. Primary and fully diluted earnings per share are not materially different.

(2) DISCONTINUED OPERATIONS

On December 10, 1992, the Company's Board of Directors authorized the sale of the Company's environmental services segment. Accordingly, as of December 31, 1992, the Company reported its environmental services segment as a discontinued operation.

As of March 31, 1995, assets included in the accompanying consolidated balance sheet related to entities which were discontinued, consist primarily of \$1,288,000 in notes receivable, net of an allowance for bad debts.

On April 17, 1995 the Company obtained certified closure of its soil storage permit from the Florida Department of Environmental Protection for the Part-B facility. This enabled the Company to transfer the building ownership under a previously agreed arrangement and to request permit closure from the Environmental Protection Agency. At this time, the Company is unable to determine the period of time or cost required to complete the Environmental Protection Agency permit closure.

During fiscal year 1995, the Company was undergoing the completion of certain environmental projects under state reimbursement programs. However, in March 1995, the State of Florida amended its environmental remediation program. This resulted in the suspension of reimbursement for work performed effective March 27, 1995 on all of the sites at which the Company was contracted to perform work. Pursuant to the enacted changes, the Company believes that it no longer has contractual liability to complete these projects, and accordingly has notified the project owners that pursuant to the legislation all work has ceased, effective March 27, 1995.

The Company periodically reevaluates the adequacy of its accruals related to its discontinued operations, including the amounts which may be realized from the reimbursement for remediation work performed under the state reimbursement programs. Any changes in those estimates have been included in discontinued operations in the accompanying financial statements. As of March 31, 1995, the Company had \$50,000 in estimated accrued expenses related to its discontinued operations.

Revenues applicable to the discontinued operations were \$36,000, \$49,000 and \$7,835,000 for the fiscal years 1995, 1994 and 1993, respectively.

(3) LONG-TERM DEBT

Long-term debt consists of the following at March 31:

	1995 =====	1994 =====
Promissory notes issued in connection with the acquisition of the Trans-tec group of companies, payable annually through January 1998, bearing interest at 9%, unsecured	\$ 6,000,000	\$ -
Capitalized lease obligations, payable through August 1996, interest at rates ranging from 10.19% to 10.70% (secured by property with a net book value of \$263,000 and \$416,000 at March 31, 1995 and 1994, respectively)	251,000	479,000
Equipment notes, payable monthly through May 1998, interest rates ranging from 6.76% to 7.00%, secured by equipment	147,000	188,000
Mortgage note, bearing interest at 12.0%, payable monthly through July 2001, secured by land, plant and equipment	177,000	194,000
	-----	-----
	6,575,000	861,000
Less current maturities	2,128,000	286,000
	-----	-----
	\$4,447,000	\$ 575,000
	=====	=====

The Company has an unsecured credit facility providing a \$25,000,000 revolving line of credit with sublimits of \$8,000,000 and \$6,000,000 for standby letters of credit and documentary letters of credit, respectively. The amendment was effective March 31, 1995. Approximately \$2,554,000 in standby letters of credit were outstanding as of March 31, 1995 under the credit facility. The Company also has \$1,635,000 outstanding in standby letters of credit from other financing institutions and has pledged \$1,635,000 of cash as collateral on these letters of credit.

The revolving line of credit bears interest, at the Company's option, at the Prime rate (9.0% at March 31, 1995), or LIBOR plus 1.45%. Interest is payable quarterly in arrears. As of March 31, 1995 and 1994, there were no amounts outstanding under the revolving line of credit. The outstanding principal and interest will mature on March 31, 1998. The revolving line of credit, in addition to other restrictions, requires the maintenance of certain financial ratios and account balances, limits cash outlays for capital expenditures, places certain restrictions on additional borrowings outside of NationsBank of Florida, NA and restricts the payment of dividends, except for the Company's quarterly dividend which complies with the NationsBank facility. See Note 5 for additional discussion. As of March 31, 1995, the Company was in compliance with its debt covenants.

Aggregate annual maturities of long-term debt as of March 31, 1995, are as follows:

1996	\$2,128,000
1997	2,080,000
1998	2,249,000
1999	37,000
2000	32,000
Thereafter	49,000

	\$6,575,000
	=====

Interest expense, which is included in other, net, in the accompanying statements of income, is as follows for the year ended March 31:

	1995	1994	1993
	=====	=====	=====
Interest cost	\$263,000	\$175,000	\$272,000
Capitalized interest	-	32,000	272,000
	-----	-----	-----
Interest expense	\$263,000	\$143,000	\$ -
	=====	=====	=====

(4) INCOME TAXES

During fiscal year 1995, the U.S. Federal Income Tax Returns for the Company's fiscal years ended March 31, 1992 and 1993, were audited by the Internal Revenue Service. The adjustments for the years under audit and the anticipated effect of amending fiscal year 1994, resulted in a tax benefit which was recognized in fiscal year 1995 for financial reporting purposes.

The provision for income taxes consists of the following components for the year ended March 31:

	1995	1994	1993
	=====	=====	=====
Continuing operations	\$4,935,000	\$3,242,000	\$2,984,000
Discontinued operations	-	-	(2,026,000)
	-----	-----	-----
	\$4,935,000	\$3,242,000	\$ 958,000
	=====	=====	=====
Current:			
Federal	\$3,764,000	\$2,648,000	\$1,629,000
State	990,000	412,000	241,000
	-----	-----	-----
	4,754,000	3,060,000	1,870,000
	-----	-----	-----
Deferred:			
Federal	142,000	158,000	(800,000)
State	39,000	24,000	(112,000)
	-----	-----	-----
	181,000	182,000	(912,000)
	-----	-----	-----
Total	\$4,935,000	\$3,242,000	\$ 958,000
	=====	=====	=====

Effective April 1, 1993, the Company adopted the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." This new statement supersedes Statement No. 96, previously implemented by the Company, and also requires the liability method in accounting for income taxes. The adoption of this new pronouncement did not have a material effect on the Company's consolidated financial position or results of operations.

The difference between the reported tax provision and the provision computed by applying the statutory Federal income tax rate currently in effect to income before income taxes for each of the three years ended March 31, 1995, is primarily due to state income taxes.

The temporary differences which comprise the Company's net deferred tax assets are as follows:

	March 31,	
	----- 1995 -----	1994 -----
Excess of provision for bad debts over charge-offs	\$ 1,340,000	\$ 888,000
Excess of tax over financial reporting depreciation and amortization	(1,284,000)	(900,000)
Accrued litigation settlement expense recognized for financial reporting purposes, not currently deductible	481,000	481,000
Excess of tax over financial reporting amortization of identifiable intangibles	(248,000)	-
Other, net	(24,000)	(111,000)
	----- \$ 265,000 -----	----- \$ 358,000 -----

The net deferred tax assets as of March 31, 1995 and 1994, are included in other assets in the accompanying consolidated balance sheets.

(5) STOCKHOLDERS' EQUITY

Common Stock Activity

On January 3, 1995, the Company issued 387,000 shares of the Company's common stock pursuant to the Trans-Tec Services acquisition. See Note 1 for additional information.

In June 1994, the United States District Court for the Southern District of Florida approved the settlement of the shareholders class action pending against the Company. The settlement had a total value of approximately \$2,600,000, of which the Company's insurance company paid \$1,300,000 in cash and the Company paid the balance in April 1995, by issuing 78,550 shares of the Company's common stock at an agreed upon price of \$16.55 per share.

Stock Options Activity

In January 1986, the stockholders approved a stock option plan under the terms of which the Board of Directors is authorized to grant options to full-time employees of the Company and its subsidiaries. The plan permits the issuance of options to purchase up to an aggregate of 300,000 shares of the Company's common stock. The minimum price at which any option may be exercised will be the fair market value of the stock on the date of grant; provided, however, that with respect to an option granted to an individual owning more than 10% of the Company's outstanding common stock, the minimum exercise price will be 110% of the fair market value of the common stock on the date of grant. All options granted pursuant to the plan must be exercised within ten years after the date of grant, except that options granted to individuals owning more than 10% of the Company's outstanding common stock must be exercised within five years after the date of grant.

The following summarizes the status of the plan as of, and for the year ended March 31:

	1995 =====	1994 =====	1993 =====
Granted	46,206	None	81,500
Per Share	\$14.875 - \$15.50		\$14.00
Expired	20,000	None	None
Exercised	None	None	None
Outstanding	171,427	145,221	145,221
Per Share	\$3.00 - \$15.50	\$3.00 - \$14.75	\$3.00 - \$14.75
Available for future grant	37,294	63,500	63,500
Exercisable	125,221	63,721	63,721
Per Share	\$3.00 - \$14.75	\$3.00 - \$14.75	\$3.00 - \$14.75

During fiscal year 1995, the Board of Directors granted options to several employees for the purchase of 46,206 shares of the Company's common stock under the stock option plan. The exercise prices range from \$14.875 to \$15.50 per share. On May 10, 1995, the Board of Directors granted options to certain executive officers to purchase 25,894 shares of the Company's common stock at an exercise price of \$18.875 per share.

During fiscal year 1995, previously granted options to purchase 20,000 shares of the Company's common stock under the stock option plan expired. Accordingly, as of March 31, 1995, options to purchase 171,427 shares of the Company's common stock remain outstanding and 37,294 additional shares are available for future grant.

On June 3, 1994, the Company extended through December 31, 1995, Mr. Phillip Bradley's (an executive officer and director of the Company) non-qualified option to purchase 25,000 shares of the Company's common stock. The exercise price remained unchanged at \$10.00 per share. The difference between the fair market value on the extension date of \$12.13, and the option price, is being amortized over 1995 as compensation expense. On January 3, 1995, the Board of Directors granted a non-qualified option to two employees to each purchase 5,647 shares of the Company's common stock at an exercise price of \$15.50 per share. On May 10, 1995, the Board of Directors granted a non-qualified option to an executive officer to purchase 9,106 shares of the Company's common stock at an exercise price of \$18.875 per share. As of March 31, 1995, non-qualified options to purchase a total of 55,036 shares of the Company's common stock at exercise prices ranging from \$10.00 to \$16.50 per share, remain outstanding.

Non-Employee Directors Stock Option Plan

On August 8, 1994, at the annual meeting of the shareholders of the Company, the 1993 Non-Employee Directors Stock Option Plan ("Plan") was adopted. An aggregate of 50,000 shares of the Company's common stock have been reserved for issuance under the Plan.

Under the Plan, members of the Board of Directors who are not employees of the Company or any of its subsidiaries or affiliates will receive annual stock options to purchase common stock in the Company pursuant to the following formula. Each non-employee director will receive a non-qualified option to purchase 2,500 shares when such person is first elected to the Board of Directors (or when the Plan was adopted, for those individuals already members of the Board), and will receive a non-qualified option to purchase 2,500 shares each year, starting in August 1995, that the individual is re-elected. On the date the Plan was adopted there were three individuals who qualified and each received an option to purchase 2,500 shares of the Company's common stock at an exercise price of \$15.125. This price reflects the fair market value of the Company's common stock on December 31, 1993, the date of grant. As of March 31, 1995, options to purchase 7,500 shares of the Company's common stock remain outstanding under the plan and 42,500 shares are available for future grant.

The exercise price for options granted under the Plan may not be less than the fair market value of the common stock, which is defined as the closing bid quotation for the common stock at the end of the day preceding the grant. Options granted under the Plan become fully exercisable one year after the date of grant. All options expire five years after the date of grant. The exercise price must be paid in cash or in common stock, subject to certain restrictions.

Stock Warrants Activity

In April 1994, warrants to purchase a total of 38,625 shares of the Company's common stock at \$12.00 per share were exercised. No additional warrants were issued or exercised during fiscal year 1995 and subsequent to the April 1994 exercise, no additional warrants remain outstanding.

Stock Repurchase

On April 12, 1993, the Board of Directors authorized the repurchase from time to time of up to 400,000 shares of the Company's common stock. The timing and quantity of shares to be repurchased will depend upon a number of factors, including market price. As of March 31, 1995, a total of 5,000 shares had been purchased in the open market for approximately \$57,000 pursuant to the repurchase program.

Dividend Declarations

The Board of Directors approved the payment of the following cash dividends:

Declaration Date	Per Share	Record Date	Payment Date
May 9, 1994	.05 cents	June 22, 1994	July 15, 1994
September 9, 1994	.05 cents	September 22, 1994	October 14, 1994
December 9, 1994	.05 cents	December 22, 1994	January 12, 1995
January 19, 1995	.05 cents	March 22, 1995	April 13, 1995
February 22, 1995	.10 cents	March 22, 1995	April 13, 1995

(6) COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Company leases premises in New Orleans, Louisiana and Plant City, Florida from a trust managed by the President of the Company under two operating leases with rent aggregating \$86,000 per year. The leases expire in August 1996. The Company has an option to purchase the properties at current market value at any time during the lease term. The Company intends to exercise the purchase options on both leases.

The Company also leases additional office space and railroad tank cars from unrelated third parties.

The future minimum lease payments under capital leases and operating leases with an initial noncancellable term in excess of one year, as of March 31, 1995 are as follows:

	Capital Leases	Operating Leases
1996	\$ 248,000	\$ 596,000
1997	17,000	438,000
1998	-	324,000
1999	-	61,000
Total minimum lease payments	265,000	\$1,419,000
Less amounts representing interest	14,000	
Present value of minimum lease payments	\$ 251,000	

Rental expense under operating leases with an initial noncancellable term in excess of one year was \$535,000, \$461,000, and \$514,000 for the years ended March 31, 1995, 1994 and 1993, respectively.

Capital Expenditures

During fiscal year 1995, the Company completed the construction of a water and used oil treatment plant in Louisiana at a total cost of \$1,550,000. During fiscal year 1996, the Company anticipates spending approximately \$1,000,000 to upgrade plant, machinery and equipment. The Company intends to spend an estimated \$1,000,000 over the next several years to clean up contamination which was present at one of the Company's sites when it was acquired by the Company. Clean up will be capitalized as part of the cost of the site, up to the fair market value of the site.

Surety Bonds

In the normal course of business the Company is required to post bid, performance and garnishment bonds. The majority of the bonds issued relate to the Company's aviation fueling business. As of March 31, 1995, the Company had \$2,675,000 in outstanding bonds.

Purchase Commitments and Off-Balance Sheet Transaction

The Company may from time to time enter into short term fuel purchase commitments. In order to fix the profit on the end market sale of the purchase commitment, the Company may enter into a hedge transaction in the financial futures market. As of March 31, 1995, the Company did not have any outstanding purchase commitments or hedges.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to credit risk consist primarily of trade accounts receivable. The Company extends credit on an unsecured basis to many of its aviation and marine customers, some of which have a line of credit in excess of \$1,000,000. The Company's management recognizes that extending credit and setting appropriate reserves for receivables is largely a subjective decision, based on knowledge of the customer. Active management of this risk is essential to the Company's success. A strong capital position and liquidity provide the financial flexibility necessary to respond to customer needs. The Company's management meets regularly to evaluate credit exposure in the aggregate, and by individual credit. This group is also responsible for setting and maintaining credit standards and ensuring the overall quality of the credit portfolio.

Potential Liability and Insurance

The Company, through the use of subcontractors and its own operations, transports, stores, or processes flammable aviation, marine and residual fuel subjecting it to possible claims by employees, customers, regulators, and others who may be injured. In addition, the Company may be held liable for the clean-up costs of spills or releases of materials from its facilities or vehicles, or for damages to natural resources arising out of such events. The Company follows what it believes to be prudent procedures to protect its employees and customers and to prevent spills or releases of these materials.

The Company's activities subject it to the risks of significant potential liability under Federal and state statutes, common law, and contractual indemnification agreements. The Company has general and automobile liability insurance coverage, including the statutory Motor Carrier Act/MCS 90 endorsement for sudden and accidental pollution.

In the aviation and marine fuel segments, the Company utilizes subcontractors which provide various services to customers, including in-flight fueling at airports, fueling of vessels in port and at sea, and transportation and storage of fuel and fuel products. Although the Company generally requires its subcontractors to carry liability insurance, not all subcontractors carry adequate insurance. The Company's liability insurance policy does not cover the acts or omissions of its subcontractors. If the Company is held responsible for any liability caused by its subcontractors, and such liability is not adequately covered by the subcontractor's insurance, the Company will be adversely affected.

The Company has exited several environmental businesses which handled hazardous wastes. These wastes were transported to various disposal facilities and/or treated by the Company. The Company may be held liable as a potentially responsible party for the clean-up of such disposal facilities in certain cases pursuant to current Federal and state laws and regulations. Due to the cost of insurance relative to potential exposure, tail coverages were not purchased for businesses exited. The Company is currently responsible to Federal and state environmental agencies for clean-up costs at a site formerly operated by its subsidiary, Resource Recovery of America, which has been sold by the Company.

The Company continuously reviews the adequacy of its insurance coverages. However, the Company lacks coverage for various risks. A claim arising out of the Company's activities, if successful and of sufficient magnitude, could have a material adverse effect on the Company's financial position or results of operations.

Legal Matters

In January 1993, Hillsborough County sued the Company's International Petroleum Corporation of Florida subsidiary ("IPC"), along with 170 other defendants (or potentially responsible persons), in the U.S. District Court of the Middle District of Florida. The complaint seeks to recover response or cleanup costs for the Sydney Mine Waste Disposal Site under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. section 9601 et. seq. (CERCLA or Superfund) and under Florida Statutes. The Company intends to vigorously defend this action.

There can be no assurance the Company will prevail in the foregoing legal proceeding, and management cannot estimate at this time the exposure of the Company if it does not prevail in this proceeding.

The Company is involved in other litigation and administrative proceedings primarily arising in the normal course of its business. In the opinion of management, the Company's liability, if any, under any other pending litigation or administrative proceedings, would not materially affect its financial condition or operations.

Employment Agreements

The Company amended and restated its employment agreements with the Chairman of the Board and the President which expire on March 31, 2000. Each agreement provides for a salary and an annual bonus equal to 5% of the Company's income before income taxes in excess of \$2,000,000. The agreements also provide that if the Company terminates the employment of the executive for reasons other than death, disability, or cause, or, if the executive terminates employment with the Company for good reason, including under certain circumstances, a change in control of the Company, the Company will pay the executive compensation of up to three times his average salary and bonus during the five year period preceding his termination.

The Company and its subsidiaries have also entered into employment, consulting and non-competition agreements with certain of their executive officers and previous and current employees. The agreements provide for minimum salary levels, as well as bonuses which are payable if specified management goals are attained.

During the years ended March 31, 1995, 1994 and 1993, approximately \$3,963,000, \$3,124,000 and \$2,795,000, respectively, was expensed under the terms of the above described agreements.

The future minimum commitments under employment agreements, excluding bonuses, as of March 31, 1995 are as follows:

1996	\$2,709,000
1997	1,844,000
1998	1,425,000
1999	574,000
2000	662,000

	\$7,214,000
	=====

Deferred Compensation Plan

The Company has an incentive compensation plan which provides incentive compensation to certain key personnel whose performance contributes to the profitability and growth of the existing Trans-Tec group of companies. The plan is unfunded and is not a qualified plan under the Internal Revenue Code. Under the plan, participants will be awarded units equal to 20% of the Trans-Tec group's net income, excluding the incentive compensation expense, and earn interest on their deferred amounts. The plan allows for distributions of vested amounts over a five year period, subject to certain requirements, during and after employment with the Company. Participants become fully vested over a five year period, fully vested participants must wait two years from the year of contribution to be eligible for the distribution of deferred account balances. The plan is administered by a plan committee appointed by the Board of Directors of Trans-Tec Services, Inc. The plan committee has the authority to suspend or terminate the plan, as well as the responsibility to allocate the amount of incentive compensation among participants, during each plan year. The plan's fiscal year corresponds to the Company's fiscal year.

(7) JOINT VENTURE

In August 1994, the Company, through its wholly-owned subsidiary World Fuel Services, Inc., began operation of a joint venture with Petrosur, an Ecuador corporation. The Company's ownership interest in the joint venture is 42%. The joint venture was organized under the name PetroSur-World Fuel to distribute jet fuel in Ecuador pursuant to a contract with the nationally owned oil company. The contract with the government may be terminated at any time. The Company has management oversight of the business activities of the joint venture. The joint venture arrangement has a term of five years and will automatically renew for a similar term unless one of the partners objects at least ninety days prior to the end of the term.

During fiscal year 1995, the Company has recorded in the accompanying consolidated statement of income its proportionate share of the net earnings of the joint venture which amounted to \$544,000, included as part of Other, net. The amount of the investment in the joint venture totalled \$544,000, and advances to the joint venture amounted to \$338,000 as of March 31, 1995, and are included in other assets and prepaid expenses and other current assets, respectively, in the accompanying consolidated balance sheet.

(8) BUSINESS SEGMENTS, FOREIGN OPERATIONS AND MAJOR CUSTOMERS

Business Segments

The Company operates in three business segments: aviation fueling, marine fueling and oil recycling. Information concerning the Company's operations by business segment is as follows:

	FOR THE YEAR ENDED MARCH 31,		
	1995	1994	1993
REVENUE:			
Aviation fueling	\$288,728,000	\$233,982,000	\$241,055,000
Marine fueling (1)	54,578,000	-	-
Oil recycling	18,591,000	16,554,000	14,014,000
Intersegment eliminations	(6,000)	(9,000)	(302,000)
Consolidated revenues	\$361,891,000	\$250,527,000	\$254,767,000
INCOME FROM OPERATIONS:			
Aviation fueling	\$ 12,304,000	\$ 12,066,000	\$ 8,911,000
Marine fueling (1)	220,000	-	-
Oil recycling	2,973,000	1,075,000	2,333,000
Corporate	(4,248,000)	(3,371,000)	(3,001,000)
Intersegment eliminations	-	-	(177,000)
Consolidated income from operations	\$ 11,249,000	\$ 9,770,000	\$ 8,066,000
IDENTIFIABLE ASSETS:			
Aviation fueling	\$ 27,920,000	\$ 26,535,000	\$ 32,039,000
Marine fueling	34,313,000	-	-
Oil recycling	17,557,000	16,548,000	14,005,000
Corporate	9,746,000	10,604,000	4,506,000
Discontinued operations	-	-	4,167,000
Consolidated identifiable assets	\$ 89,536,000	\$ 53,687,000	\$ 54,717,000
CAPITAL EXPENDITURES:			
Aviation fueling	\$ 27,000	\$ 101,000	\$ 58,000
Marine fueling (1)	104,000	-	-
Oil recycling	1,901,000	3,078,000	3,755,000
Corporate	162,000	155,000	72,000
Consolidated capital expenditures	\$ 2,194,000	\$ 3,334,000	\$ 3,885,000
DEPRECIATION AND AMORTIZATION:			
Aviation fueling	\$ 236,000	\$ 194,000	\$ 222,000
Marine fueling (1)	140,000	-	-
Oil recycling	824,000	1,150,000	1,071,000
Corporate	173,000	158,000	180,000
Consolidated depreciation and amortization	\$ 1,373,000	\$ 1,502,000	\$ 1,473,000

(1) The marine fueling segment reflects activity from January 1, 1995 to March 31, 1995.

Net assets of the discontinued operations, as described in Note 2, were transferred to continuing operations as of March 31, 1994.

Foreign Operations

A summary of financial data for foreign operations is shown below as of, and for the fiscal years ended March 31, 1995, 1994 and 1993. Non-U.S. operations of the Company and its subsidiaries are conducted primarily in the United Kingdom. Income from operations is before the allocation of corporate general and administrative expenses and income taxes.

	1995	1994	1993
	=====	=====	=====
Revenue	\$47,045,000	\$28,382,000	\$23,760,000
Income from operations	\$ 1,572,000	\$ 190,000	\$ 240,000
Identifiable assets	\$11,770,000	\$ 1,872,000	\$ 3,367,000
	=====	=====	=====

Major Customers

No customer accounted for more than 10% of total consolidated revenue for the years ended March 31, 1995, 1994 and 1993.

(9) QUARTERLY INFORMATION (UNAUDITED)

	FOR THE THREE MONTHS ENDED,			
	-----	-----	-----	-----
	June 30, 1994	September 30, 1994	December 31, 1994	March 31, 1995
	=====	=====	=====	=====
Revenue	\$72,524,000	\$76,660,000	\$78,103,000	\$134,604,000
Gross profit	\$ 7,242,000	\$ 5,731,000	\$ 5,802,000	\$ 8,982,000
Net income	\$ 1,944,000	\$ 1,760,000	\$ 2,054,000	\$ 2,330,000
Earnings per common and common equivalent share	\$ 0.41	\$ 0.37	\$ 0.43	\$ 0.45
	=====	=====	=====	=====

	FOR THE THREE MONTHS ENDED,			
	-----	-----	-----	-----
	June 30, 1993	September 30, 1993	December 31, 1993	March 31, 1994
	=====	=====	=====	=====
Revenue	\$61,403,000	\$63,128,000	\$62,529,000	\$ 63,467,000
Gross profit	\$ 6,464,000	\$ 6,958,000	\$ 5,847,000	\$ 7,682,000
Net income	\$ 1,446,000	\$ 1,555,000	\$ 1,259,000	\$ 935,000
Earnings per common and common equivalent share	\$ 0.31	\$ 0.33	\$ 0.27	\$ 0.19
	=====	=====	=====	=====

SCHEDULE II
INTERNATIONAL RECOVERY CORP. AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS

	Balance at beginning of period =====	----- ADDITIONS -----			Deductions(2) =====	Balance at end of period =====
		Acquisition of business =====	Charged to costs and expenses =====	Charged to other accounts (1) =====		
Year Ended March 31, 1995 -----						
Allowance for bad debts	\$2,464,000 =====	\$ 250,000 =====	\$2,062,000 =====	\$2,408,000 =====	\$2,618,000 =====	\$4,566,000 =====
Year Ended March 31, 1994 -----						
Allowance for bad debts	\$2,635,000 =====	\$ - =====	\$5,063,000 =====	\$ 867,000 =====	\$6,101,000 =====	\$2,464,000 =====
Year Ended March 31, 1993 -----						
Allowance for bad debts	\$ 963,000 =====	\$ - =====	\$4,437,000 =====	\$ 209,000 =====	\$2,974,000 =====	\$2,635,000 =====

Notes:

- (1) Recoveries of bad debts and reclassifications. In fiscal year 1995, allowance for bad debts totaling \$130,000 was transferred from the Company's discontinued operations to continued operations.
- (2) Accounts determined to be uncollectible.

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into as of this 15th day of February, 1995, by and between International Recovery Corp., a Florida corporation (the "Company"), and Jerrold Blair (the "Executive").

RECITALS. Executive is currently employed by the Company pursuant to an employment agreement which expires January 31, 1999. Executive is a senior executive officer of the Company and an integral part of its management. The Company wishes to extend the Executive's employment for an additional one year term, and to extend and expand the scope of the Executive's current non-compete covenant. In order to retain the Executive and to assure both the Executive and the Company of the continuity of management in the event of any actual or threatened Change of Control (as defined in Section 3.1) of the Company, the Company desires to provide severance benefits to the Executive if the Executive's employment with the Company and/or its subsidiaries or affiliates terminates as provided herein concurrent with or subsequent to a Change of Control. The parties have agreed to amend and restate the Executive's employment agreement to reflect the foregoing terms.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. EMPLOYMENT. The Company hereby employs Executive for a term (the "Employment Term"), commencing on the date hereof and ending on March 31, 2000, to serve as President. Executive hereby accepts such employment.

2. COMPENSATION AND BENEFITS. During the Employment Term, the Company shall pay Executive the compensation and other amounts set forth below.

2.1 BASE SALARY. The Company shall pay Executive an annual salary ("Base Salary") of \$250,000 during each year of the Employment Term, payable in equal installments according to the Company's regular payroll practices and subject to such deductions as may be required by law.

2.2 BONUS.

(a) Subject to subsections (c), (d) and (e) below, the Company shall pay Executive an annual bonus (the "Bonus") for each fiscal year during the Employment Term, through March 31, 2000, equal to five percent (5%) of the net pre-tax profit of the Company in excess of \$2,000,000. For purposes of this Agreement, the net pre-tax profit of the Company shall be

determined by the Company's certified public accountants in accordance with generally accepted accounting principles, applied on a consistent basis.

(b) The requirement that the Company achieve the net pre-tax profit required by this Section 2.2 (the "Performance Goal") is intended as a "performance goal" for Executive, as that term is used in Section 162(m)(4)(C) of the Internal Revenue Code of 1986, as amended (the "Code") and Regulations promulgated thereunder. The Company hereby represents and warrants to Executive that such Performance Goal has been determined and approved by a Compensation Committee of the Board of Directors (the "Compensation Committee"), consisting of three (3) outside directors, as required by Code section 162(m)(4)(C)(i) and Regulations promulgated thereunder.

(c) Notwithstanding anything to the contrary contained herein, in no event shall Executive receive any portion of his Bonus if the Company could not reasonably deduct such portion solely by operation of Code section 162(m). For purposes of this limitation: (i) no portion of the Executive's compensation or benefits, the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment, shall be taken into account; (ii) no portion of any compensation or benefits shall be taken into account which, in the opinion of tax counsel selected by the Company's independent auditors and acceptable to Executive, does not constitute "applicable employee remuneration" within the meaning of Code section 162(m) and Regulations promulgated thereunder; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Executive's remuneration shall be determined by the Company's independent auditors in accordance with the Code.

(d) At any time during the Employment Term, upon written request of Executive, the Company shall submit the Performance Goal and other material compensation terms provided herein for approval by

the Company's shareholders so as to comply with Code section 162(m)(4)(C)(ii) and Regulations promulgated thereunder, and the Company shall use reasonable efforts to secure such shareholder approval; provided, (i) the Company shall not be required to call a special shareholders meeting for the sole purpose of complying with this section; and (ii) in order to have such approval sought at the Company's annual shareholders meeting, Executive shall provide written notice thereof to the Company no less than ninety (90) days prior to the scheduled date of the annual meeting. If any executive officer of the Company requests that his Performance Goal and compensation terms be submitted for shareholder approval pursuant to this Agreement, the Company shall have the right to submit the Performance Goals and compensation arrangements of all executive officers for shareholder approval at the same meeting.

(e) If required to comply with Code section 162(m)(4)(C)(iii), the Company's Compensation Committee shall, before the payment of any Bonus, certify in writing, if applicable, that the Performance Goal and any other material terms hereof were satisfied, as necessary to comply with Code section 162(m)(4)(C)(iii).

(f) The provisions of this Section 2.2 are intended, and shall be interpreted, to comply with the requirements of Code section 162(m) so as to permit the Company to deduct all payments of applicable employee remuneration made to Executive pursuant to this Agreement.

2.3 BENEFITS. Executive: (i) shall be entitled to receive all medical, health, disability, life and dental insurance, and other similar employee benefit programs, which may be provided by the Company to its employees from time-to-time; (ii) shall be entitled to reimbursement for reasonable and necessary out-of-pocket expenses incurred in the performance of his duties hereunder, including but not limited to travel and entertainment expenses (such expenses shall be reimbursed by the Company, from time to time, upon presentation of appropriate receipts therefor); (iii) shall be paid an auto allowance of \$1,000.00 per month; and (iv) shall be entitled to six (6) weeks paid vacation each calendar year, and any vacation time not taken during any calendar year shall be carried over into subsequent calendar years.

3. CERTAIN DEFINITIONS.

3.1 CHANGE OF CONTROL. For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred if:

(a) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but excluding any employee benefit plan or plans of the Company and its subsidiaries and affiliates, becomes the beneficial owner, directly or indirectly, of twenty percent (20%) or more of the combined voting power of the Company's outstanding voting securities ordinarily having the right to vote for the election of directors of the Company; or

(b) the individuals who, as of the date hereof, constitute the Board of Directors of the Company (the "Board" generally and as of the date hereof the "Incumbent Board") cease for any reason to constitute a least two-thirds (2/3) of the Board, or in the case of a merger or consolidation of the Company, do not constitute or cease to constitute at least two-thirds (2/3) of the board of directors of the surviving company (or in a case where the surviving corporation is controlled, directly or indirectly, by another corporation or entity, do not constitute or cease to constitute at least two-thirds (2/3) of the board of such controlling corporation or do not have or cease to have at least

two-thirds (2/3) of the voting seats on any body comparable to a board of directors of such controlling entity, or if there is no body comparable to a board of directors, at least two-thirds (2/3) voting control of such controlling entity); provided that any person becoming a director (or, in the case of a controlling non-corporate entity, obtaining a position comparable to a director or obtaining a voting interest in such entity) subsequent to the date hereof whose election, or nomination for election, was approved by a vote of the persons comprising at least two-thirds (2/3) of the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board; or

(c) there is a liquidation or dissolution of the Company or a sale of all or substantially all of the assets of either or both (i) the business group which constitutes the aviation and marine fuel sales division of the Company as of the date hereof, or (ii) the business group which constitutes the used oil division of the Company as of the date hereof; or

(d) if the Company enters into an agreement or series of agreements or the Board passes a resolution which will result in the occurrence of any of the matters described in Subsections (a), (b) or (c), and the Executive's employment is terminated subsequent to the date of execution of such agreement or series of agreements or the passage of such resolution, but prior to the occurrence of any of the matters described in Subsection (a), (b) or (c), then, upon the occurrence of any of the matters described in Subsections (a), (b) or (c), a Change of Control shall be deemed to have retroactively occurred on the date of the execution of the earliest of such agreement(s) or the passage of such resolution.

3.2 CAUSE. For purposes of this Agreement, "Cause" means (i) an act or acts of fraud, misappropriation, or embezzlement on the Executive's part which result in or are intended to result in his personal enrichment at the expense of the Company or its subsidiaries or affiliates, (ii) conviction of a felony, or (iii) willful failure to report to work for more than thirty (30) continuous days not attributable to eligible vacation or supported by a licensed physician's statement.

3.3 DISABILITY. For purposes of this Agreement, "Disability" means disability which after the expiration of more than twelve (12) months after its commencement is determined to be total and permanent by an independent physician mutually agreeable to the parties. Notwithstanding any disability of Executive, he shall continue to receive all compensation and benefits provided

under Section 2 until his employment is actually terminated, by a Notice of Termination pursuant to Section 4.2.

3.4 GOOD REASON. For purposes of this Agreement, "Good Reason" means:

(a) any failure by the Company and/or its subsidiaries or affiliates to furnish the Executive and/or where applicable, his family, with: (i) total annual cash compensation (including annual bonus), (ii) total aggregate value of perquisites, (iii) total aggregate value of benefits, or (iv) total aggregate value of long term compensation, including but not limited to stock options, in each case at least equal to or exceeding or otherwise comparable to in the aggregate, the highest level received by the Executive from the Company and/or its subsidiaries or affiliates during the six (6) month period (or the one (1) year period for compensation, perquisites and benefits which are paid less frequently than every six (6) months) immediately preceding the Change of Control, other than an insubstantial and inadvertent failure remedied by the Company within five (5) business days after receipt of notice thereof given by the Executive;

(b) the Company's and/or its subsidiaries' or affiliates' requiring the Executive to be based or to perform services at any site or location more than fifteen (15) miles from the site or location at which the Executive is based at the time of the Change of Control, except for travel reasonably required in the performance of the Executive's responsibilities (which does not materially exceed the level of travel required of the Executive in the six (6) month period immediately preceding the Change of Control);

(c) any failure by the Company to obtain the assumption and agreement to perform this Agreement by a successor as contemplated by Section 9; or

(d) without the express prior written consent of the Executive (which consent the Executive has the absolute right to withhold), (i) the assignment to the Executive of any duties inconsistent in any material respect with the highest level of the Executive's position (including titles and reporting relationships), authority, responsibilities or status as in effect at any time during the six (6) month period immediately preceding the Change of Control, or (ii) any other material adverse change in such position, authority, responsibility or status.

For the purposes of this Section 3.4, any good faith interpretation by the Executive of the foregoing definitions of "Good Reason" shall be conclusive on the Company. No termination by Executive for Good Reason shall be deemed a voluntary

termination by Executive for purposes of any stock option, employee benefit or similar plan of the Company.

3.5 NOTICE OF TERMINATION. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the termination date is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen (15) days after the giving of such notice).

3.6 DATE OF TERMINATION. Date of Termination means the date of receipt of the Notice of Termination or any later date specified therein, as the case may be.

3.7 SEVERANCE PERIOD. The Severance Period means a period of two (2) years beginning on the day following the Executive's Date of Termination.

4. TERMINATION.

4.1 EVENTS OF TERMINATION. The Executive may terminate his employment with the Company, for Good Reason, at any time during the first three (3) years following a Change in Control of the Company. The Company may terminate Executive's employment with the Company at any time upon the occurrence of one or more of the events set forth in subsections (a) through (c) below. The death or Disability of Executive shall in no event be deemed a termination of employment by Executive.

- (a) The death of Executive.
- (b) The Disability of Executive.
- (c) The discharge of Executive by the Company for

Cause.

4.2 NOTICE OF TERMINATION. Any termination of the Executive's employment by the Executive for Good Reason, or by the Company for Cause or otherwise, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 10(h).

5. OBLIGATIONS UPON TERMINATION.

5.1 VOLUNTARY TERMINATION BY EXECUTIVE AND TERMINATION FOR CAUSE. If the Executive's employment with the Company is terminated (i) voluntarily by the Executive, for any reason other than Good Reason, or (ii) by the Company for Cause, the Company shall pay Executive, within five (5) business days

after his Date of Termination, his Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid), and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans.

5.2 TERMINATION FOR DEATH OR DISABILITY. If Executive's employment is terminated by the Company due to the Executive's death or Disability, the Company shall pay Executive (or his heirs and/or personal representatives): (i) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); and (ii) the Bonus payable under Section 2.2, if any, for the fiscal year in which Executive's termination occurred, as if Executive had been employed by the Company for the full fiscal year; and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. Amounts payable under subsection (i) of this Section 5.2 shall be paid within five (5) business days after the Date of Termination, and the Bonus payable under subsection (ii) shall be paid on or before May 15 of the fiscal year following the fiscal year in which the termination occurred.

5.3 TERMINATION BY THE COMPANY IN DEFAULT OF AGREEMENT. If the Executive's employment with the Company is terminated by the Company for any reason other than the Executive's death or Disability, or Cause, the Company shall pay and provide Executive:

(a) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); plus

(b) an amount equal to the greater of: (i) the average annual cash compensation (Base Salary, car allowance and Bonus) paid to Executive during the five (5) fiscal years immediately preceding the Date of Termination, MULTIPLIED BY the number of years or portions thereof remaining on the Employment Term on the Date of Termination; or (ii) the cash payment described in Section I of Exhibit A attached hereto and made a part hereof; plus

(c) the benefits described in Sections II through IV of Exhibit A.

The amounts payable under subsections (a) and (b) of this Section 5.3 shall be paid to Executive by cashier's check within five (5) business days after his Date of Termination. The payments and benefits paid and provided pursuant to this Section 5.3 (the "Default Payments") shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and as liquidated damages and in full settlement of any and all claims by Executive against the Company as a result of the Company's breach of this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. Such Default Payments: (i) are not contingent on the occurrence of any change in the ownership or effective control of the Company; (ii) are not intended as a penalty; and (iii) are intended to compensate Executive for his damages incurred by reason of the Company's breach of this Agreement, which damages are difficult to ascertain.

5.4 TERMINATION BY EXECUTIVE FOR GOOD REASON. If the Executive's employment with the Company is terminated by the Executive for Good Reason, the Company shall pay and provide Executive, within five (5) business days after the Date of Termination, as severance compensation, the cash amounts and benefits (collectively, "Severance Benefits") described in Exhibit A. The Severance Benefits paid and provided pursuant to this Section 5.4 shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and in full settlement of any and all claims by Executive for such compensation or benefits; except that, to the extent that the Company's insurance, stock option and other employee benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. The Company agrees that following a Change of Control, the Company shall not, without the Executive's consent, amend any employee insurance or benefit plan or program of the Company or its subsidiaries or affiliates in any manner that would adversely affect the Executive's rights under such plan or program.

6. COVENANT AGAINST UNFAIR COMPETITION.

(a) Executive agrees that while he is employed by the Company, and for a period of three (3) years following any termination of his employment, for any reason, he will not, for his own account or jointly with another, directly or indirectly, for or on behalf of any individual, partnership, corporation or other legal entity, as principal, agent or otherwise:

(i) own, control, manage, be employed by, consult with, or otherwise participate in, a business (other than that of the Company) involved within the Trade Area (as hereinafter defined) in (1) the storage, handling, delivery, marketing, sale,

distribution or brokerage of aviation fuel, marine fuel or lubricants, aviation flight services, or marine fuel services, (2) the collection, storage, handling, recycling, processing, refining, sale, brokerage, marketing or distribution of used oil or used oil products, or (3) any other service or activity which is competitive with the services or activities which are or have been performed by the Company or its subsidiaries or affiliates since January 1, 1994;

(ii) solicit, call upon, or attempt to solicit, the patronage of any individual, partnership, corporation or other legal entity to whom the Company or its subsidiaries or affiliates sold products or provided services, or from whom the Company or its subsidiaries or affiliates purchased products or services, at any time since January 1, 1994, for the purpose of obtaining the patronage of any such individual, partnership, corporation or other legal entity;

(iii) solicit or induce, or in any manner attempt to solicit or induce, any person employed by the Company or its subsidiaries or affiliates to leave such employment, whether or not such employment is pursuant to a written contract and whether or not such employment is at will; or

(iv) use, directly or indirectly, on behalf of himself or any other person or business entity, any trade secrets or confidential information concerning the business activities of the Company or any of the Company's subsidiaries or affiliates. Trade secrets and confidential information shall include, but not be limited to, lists of names and addresses of customers and suppliers, sources of leads and methods of obtaining new business, methods of marketing and selling products and performing services, and methods of pricing.

(b) As used herein, the term "Trade Area" shall mean: (i) the States of Florida, Louisiana, Georgia, Delaware, Pennsylvania, New York, California, Virginia, New Jersey, and Maryland, (ii) any other state where the Company and/or its subsidiaries or affiliates collect or sell used oil or used oil products, (iii) Singapore, Greece, South Korea, England and Costa Rica, and (iv) any airports or seaports throughout the world which are or were serviced by the Company or its subsidiaries or affiliates at any time since January 1, 1994.

(c) Executive recognizes the importance of the covenant contained in this Section 6 and acknowledges that, based on his past experience and training as an executive of the Company, the projected expansion of the Company's business, and the nature of his services to be provided under this Agreement, the restrictions imposed herein are: (i) reasonable as to scope, time and area; (ii) necessary for the protection of the Company's legitimate business interests, including without limitation, the

Company's trade secrets, goodwill, and its relationship with customers and suppliers; and (iii) not unduly restrictive of Executive's rights as an individual. Executive acknowledges and agrees that the covenants contained in this Section 6 are essential elements of this Agreement and that but for these covenants, the Company would not have agreed to enter into this Agreement.

(d) If Executive commits a breach or threatens to commit a breach of any of the provisions of this Section 6, the Company shall have the right and remedy, in addition to any others that may be available, at law or in equity, to have the provisions of this Section 6 specifically enforced by any court having equity jurisdiction, through injunctive or other relief, it being acknowledged that any such breach or threatened breach will cause irreparable injury to the Company, the amount of which will be difficult to determine, and that money damages will not provide an adequate remedy to the Company.

(e) If any covenant contained in this Section 6, or any part thereof, is hereafter construed to be invalid or unenforceable, the same shall not affect the remainder of the covenants, which shall be given full effect, without regard to the invalid portions, and any court having jurisdiction shall have the power to reduce the duration, scope and/or area of such covenant and, in its reduced form, said covenant shall then be enforceable.

(f) The provisions of this Section 6 shall survive the expiration and termination of this Agreement, and the termination of Executive's employment hereunder, for any reason.

7. NON-EXCLUSIVITY OF RIGHTS. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its subsidiaries or affiliates and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any employment, stock option or other agreements with the Company or any of its subsidiaries or affiliates. In the event there are any amounts which represent vested benefits or which the Executive is otherwise entitled to receive under any other plan or program of the Company or any of its subsidiaries or affiliates at or subsequent to the Date of Termination, the Company shall pay or cause the relevant plan or program to pay such amounts, to the extent not already paid, in accordance with the provisions of such plan or program.

8. FULL SETTLEMENT. Except as specifically provided otherwise in this Agreement, the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any setoff, counterclaim, recoupment, defense or other right which the Company

may have against the Executive or others. The Executive shall not be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. Except as expressly provided in Section II(ii) of Exhibit A, the Severance Benefits shall not be reduced by any compensation or benefits earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise. The Company agrees to pay all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company or others of the validity or enforceability of, or liability under any provision of this Agreement or any guarantee of performance thereof, in each case plus interest, compounded daily, on the total unpaid amount determined to be payable under this Agreement, such interest to be calculated on the basis of two percent (2%) over the base or prime rate announced by NationsBank of Florida, N.A. in effect from time to time during the period of such nonpayment, but in no event greater than the highest interest rate permitted by law for such payments.

9. SUCCESSORS. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives, executors, heirs and legatees. This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether directly or indirectly, by purchase, merger, consolidation, acquisition of stock, or otherwise, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place, by a written agreement in form and substance reasonably satisfactory to the Executive, delivered to the Executive within five (5) business days after such succession.

10. MISCELLANEOUS.

(a) MODIFICATION AND WAIVER. Any term or condition of this Agreement may be waived at any time by the party hereto that is entitled to the benefit thereof; provided, however, that any such waiver shall be in writing and signed by the waiving party, and no such waiver of any breach or default hereunder is to be implied from the omission of the other party to take any action on account thereof. A waiver on one occasion shall not be deemed to be a waiver of the same or of any other breach on a future occasion. This Agreement may be modified or amended only by a writing signed by all of the parties hereto.

(b) GOVERNING LAW. The validity and effect of this Agreement shall be governed by and construed and enforced in

accordance with the laws of the State of Florida. In any action or proceeding arising out of or relating to this Agreement (an "Action"), each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of any federal or state court sitting in Miami, Florida, and further agrees that any Action may be heard and determined in such federal court or in such state court. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in Miami, Florida.

(c) TAX WITHHOLDING. The payments and benefits under this Agreement may be compensation and as such may be included in either the Executive's W-2 earnings statements or 1099 statements. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation, as well as any other deductions consented to in writing by the Executive.

(d) SECTION CAPTIONS. Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

(e) SEVERABILITY. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

(f) INTEGRATED AGREEMENT. This Agreement constitutes the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, and supersedes any other employment agreements executed before the date hereof. There are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth herein or herein provided for.

(g) INTERPRETATION. No provision of this Agreement is to be interpreted for or against any party because that party or that party's legal representative drafted such provision. For purposes of this Agreement: "herein", "hereby", "hereunder", "herewith", "hereafter" and "hereinafter" refer to this Agreement in its entirety, and not to any particular subsection or paragraph. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

(h) NOTICES. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

IF TO THE EXECUTIVE: at the Executive's last address appearing in the payroll/personnel records of the Company.

IF TO THE COMPANY:

International Recovery Corp.
700 S. Royal Poinciana Blvd.
Suite 800
Miami Springs, FL 33166

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by addressee.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

WITNESSES: INTERNATIONAL RECOVERY CORP.

/S/ JANET RUSAKOV

By: /S/ JOHN BENBOW

/S/ SONIA ASENCIO

John R. Benbow, Chairman of the
Compensation Committee

/S/ JANET RUSAKOV

/S/ JERROLD BLAIR

Executive

/S/ SONIA ASENCIO

EXHIBIT A
SEVERANCE BENEFITS

(I) CASH PAYMENT. The Company shall pay to the Executive the aggregate of the amounts determined pursuant to clauses (A) through (C) below:

(A) if not already paid, the Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination; and

(B) an amount equal to the Executive's average annual Base Salary and annual car allowance (collectively, the "Average Base") paid to the Executive during the five (5) fiscal years immediately preceding the fiscal year of termination, MULTIPLIED BY three (3); provided, however, that if the Date of Termination is in the last two (2) years of the Employment Term, the Average Base shall be MULTIPLIED BY two (2); and

(C) an amount equal to the average annual bonus paid to the Executive during the five (5) fiscal years immediately preceding the fiscal year of termination (the "Average Bonus"); MULTIPLIED BY three (3); provided, however, that if the Date of Termination is in the last two (2) years of the Employment Term, the Average Bonus shall be MULTIPLIED BY two (2).

The Company shall pay to the Executive the aggregate of the amounts determined pursuant to clauses (A) through (C) above in a lump sum by cashier's check within five (5) business days after the Executive's Date of Termination.

(II) MEDICAL, DENTAL, DISABILITY, LIFE INSURANCE AND OTHER SIMILAR PLANS AND PROGRAMS. Until the earlier to occur of (i) the last day of the Severance Period, (ii) the date on which the Executive becomes eligible for the designated or comparable coverage as an employee of another employer which provides or offers such coverage to its employees, or (iii) in the case of benefits requiring employee contributions, the date the Executive fails to make such contributions pursuant to the Company's or the plan's instructions (which instructions shall be reasonable and given to the Executive by the Company within five (5) business days following the Executive's Date of Termination) or otherwise cancels his coverage in accordance with plan provisions, the Company shall continue to provide all benefits which the Executive and/or his family is or would have been entitled to receive under all medical, dental, disability, supplemental life, group life, accidental death and executive accident insurance, and other similar plans and programs of the Company and/or its subsidiaries or affiliates not otherwise provided for in this Agreement, in each case on a basis

providing the Executive and/or his family with the opportunity to receive benefits at least equal to the greatest level of benefits provided by the Company and/or its subsidiaries or affiliates for the Executive under such plans and programs as in effect at any time during the six (6) month period immediately preceding the Notice of Termination. The benefits will be paid for by the Company and, to the extent applicable, will be provided in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). If the Executive's participation in any such plan or program is barred by COBRA or for any other reason, the Company shall pay or provide for payment of such benefits or substantially similar benefits to the Executive and/or his family.

(III) STOCK OPTIONS AND RIGHTS. If the Executive is a participant in any stock option or stock purchase plan of the Company, or if the Executive is the holder of any options, warrants or rights to acquire capital stock of the Company (collectively "Stock Rights"), the Executive shall have all of the rights set forth in the relevant plans and Stock Rights. The phrase "Termination Date" as used in the Stock Rights shall mean the end of the Severance Period with respect to Non-Qualified Stock Options granted to the Executive, and the Executive's Date of Termination with respect to Incentive Stock Options granted to Executive.

(IV) DEFERRED COMPENSATION. The Company shall pay to the Executive the Executive's salary or incentive compensation awards that have been previously deferred, if any, in accordance with the terms of the Executive's individual deferred compensation agreement(s) or the applicable plan(s), as appropriate. The last day of the Severance Period will be considered to be the Executive's termination date for purposes of such agreement(s).

(V) TAXES. Notwithstanding anything in the foregoing to the contrary, the Company shall not be obligated to pay any portion of the Severance Benefits otherwise payable to Executive pursuant to Section 5.4 of this Agreement if the Company could not reasonably deduct such portion solely by operation of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this limitation: (i) no portion of the Severance Benefits, the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment, shall be taken into account; (ii) no portion of any Severance Benefits shall be taken into account which, in the opinion of tax counsel selected by the Company's independent auditors and acceptable to Executive, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (iii) the Severance Benefits to Executive shall be reduced only to the extent necessary so that the total Severance Benefits (other than those referred to in clause (i) or ii)) in their entirety constitute reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code, in the opinion of the tax counsel

referred to in clause (ii); and (iv) the value of any non-cash benefit or any deferred payment or benefit included in the Severance Benefits shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

Dated as of the 15th day of February, 1995.

/S/ JANET RUSAKOV

Witness

/S/ JERROLD BLAIR

Executive

/S/ SONIA ASENCIO

Witness

INTERNATIONAL RECOVERY CORP.

/S/ JANET RUSAKOV

Witness

By: /S/ JOHN BENBOW

John R. Benbow, Chairman of the
Compensation Committee

/S/ SONIA ASENCIO

Witness

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into as of this 15th day of February, 1995, by and between International Recovery Corp., a Florida corporation (the "Company"), and Ralph R. Weiser (the "Executive").

RECITALS. Executive is currently employed by the Company pursuant to an employment agreement which expires January 31, 1999. Executive is a senior executive officer of the Company and an integral part of its management. The Company wishes to extend the Executive's employment for an additional one year term, and to extend and expand the scope of the Executive's current non-compete covenant. In order to retain the Executive and to assure both the Executive and the Company of the continuity of management in the event of any actual or threatened Change of Control (as defined in Section 3.1) of the Company, the Company desires to provide severance benefits to the Executive if the Executive's employment with the Company and/or its subsidiaries or affiliates terminates as provided herein concurrent with or subsequent to a Change of Control. The parties have agreed to amend and restate the Executive's employment agreement to reflect the foregoing terms.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. EMPLOYMENT. The Company hereby employs Executive for a term (the "Employment Term"), commencing on the date hereof and ending on March 31, 2000, to serve as Chairman of the Board. Executive hereby accepts such employment.

2. COMPENSATION AND BENEFITS. During the Employment Term, the Company shall pay Executive the compensation and other amounts set forth below.

2.1 BASE SALARY. The Company shall pay Executive an annual salary ("Base Salary") of \$250,000 during each year of the Employment Term, payable in equal installments according to the Company's regular payroll practices and subject to such deductions as may be required by law.

2.2 BONUS.

(a) Subject to subsections (c), (d) and (e) below, the Company shall pay Executive an annual bonus (the "Bonus") for each fiscal year during the Employment Term, through March 31, 2000, equal to five percent (5%) of the net pre-tax profit of the Company in excess of \$2,000,000. For purposes of this Agreement, the net pre-tax profit of the Company shall be

determined by the Company's certified public accountants in accordance with generally accepted accounting principles, applied on a consistent basis.

(b) The requirement that the Company achieve the net pre-tax profit required by this Section 2.2 (the "Performance Goal") is intended as a "performance goal" for Executive, as that term is used in Section 162(m)(4)(C) of the Internal Revenue Code of 1986, as amended (the "Code") and Regulations promulgated thereunder. The Company hereby represents and warrants to Executive that such Performance Goal has been determined and approved by a Compensation Committee of the Board of Directors (the "Compensation Committee"), consisting of three (3) outside directors, as required by Code section 162(m)(4)(C)(i) and Regulations promulgated thereunder.

(c) Notwithstanding anything to the contrary contained herein, in no event shall Executive receive any portion of his Bonus if the Company could not reasonably deduct such portion solely by operation of Code section 162(m). For purposes of this limitation: (i) no portion of the Executive's compensation or benefits, the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment, shall be taken into account; (ii) no portion of any compensation or benefits shall be taken into account which, in the opinion of tax counsel selected by the Company's independent auditors and acceptable to Executive, does not constitute "applicable employee remuneration" within the meaning of Code section 162(m) and Regulations promulgated thereunder; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Executive's remuneration shall be determined by the Company's independent auditors in accordance with the Code.

(d) At any time during the Employment Term, upon written request of Executive, the Company shall submit the Performance Goal and other material compensation terms provided herein for approval by the Company's shareholders so as to comply with Code section

162(m)(4)(C)(ii) and Regulations promulgated thereunder, and the Company shall use reasonable efforts to secure such shareholder approval; provided, (i) the Company shall not be required to call a special shareholders meeting for the sole purpose of complying with this section; and (ii) in order to have such approval sought at the Company's annual shareholders meeting, Executive shall provide written notice thereof to the Company no less than ninety (90) days prior to the scheduled date of the annual meeting. If any executive officer of the Company requests that his Performance Goal and compensation terms be submitted for shareholder approval pursuant to this Agreement, the Company shall have the right to submit the Performance Goals and compensation arrangements of all executive officers for shareholder approval at the same meeting.

(e) If required to comply with Code section 162(m)(4)(C)(iii), the Company's Compensation Committee shall, before the payment of any Bonus, certify in writing, if applicable, that the Performance Goal and any other material terms hereof were satisfied, as necessary to comply with Code section 162(m)(4)(C)(iii).

(f) The provisions of this Section 2.2 are intended, and shall be interpreted, to comply with the requirements of Code section 162(m) so as to permit the Company to deduct all payments of applicable employee remuneration made to Executive pursuant to this Agreement.

2.3 BENEFITS. Executive: (i) shall be entitled to receive all medical, health, disability, life and dental insurance, and other similar employee benefit programs, which may be provided by the Company to its employees from time-to-time; (ii) shall be entitled to reimbursement for reasonable and necessary out-of-pocket expenses incurred in the performance of his duties hereunder, including but not limited to travel and entertainment expenses (such expenses shall be reimbursed by the Company, from time to time, upon presentation of appropriate receipts therefor); (iii) shall be paid an auto allowance of \$1,000.00 per month; and (iv) shall be entitled to six (6) weeks paid vacation each calendar year, and any vacation time not taken during any calendar year shall be carried over into subsequent calendar years.

3. CERTAIN DEFINITIONS.

3.1 CHANGE OF CONTROL. For purposes of this Agreement, a "Change of Control" shall be deemed to have occurred if:

(a) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but excluding any employee benefit plan or plans of the Company and its subsidiaries and affiliates, becomes the beneficial owner, directly or indirectly, of twenty percent (20%) or more of the combined voting power of the Company's outstanding voting securities ordinarily having the right to vote for the election of directors of the Company; or

(b) the individuals who, as of the date hereof, constitute the Board of Directors of the Company (the "Board" generally and as of the date hereof the "Incumbent Board") cease for any reason to constitute a least two-thirds (2/3) of the Board, or in the case of a merger or consolidation of the Company, do not constitute or cease to constitute at least two-thirds (2/3) of the board of directors of the surviving company (or in a case where the surviving corporation is controlled, directly or indirectly, by another corporation or entity, do not constitute or cease to constitute at least two-thirds (2/3) of the board of such controlling corporation or do not have or cease to have at least

two-thirds (2/3) of the voting seats on any body comparable to a board of directors of such controlling entity, or if there is no body comparable to a board of directors, at least two-thirds (2/3) voting control of such controlling entity); provided that any person becoming a director (or, in the case of a controlling non-corporate entity, obtaining a position comparable to a director or obtaining a voting interest in such entity) subsequent to the date hereof whose election, or nomination for election, was approved by a vote of the persons comprising at least two-thirds (2/3) of the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) shall be, for purposes of this Agreement, considered as though such person were a member of the Incumbent Board; or

(c) there is a liquidation or dissolution of the Company or a sale of all or substantially all of the assets of either or both (i) the business group which constitutes the aviation and marine fuel sales division of the Company as of the date hereof, or (ii) the business group which constitutes the used oil division of the Company as of the date hereof; or

(d) if the Company enters into an agreement or series of agreements or the Board passes a resolution which will result in the occurrence of any of the matters described in Subsections (a), (b) or (c), and the Executive's employment is terminated subsequent to the date of execution of such agreement or series of agreements or the passage of such resolution, but prior to the occurrence of any of the matters described in Subsection (a), (b) or (c), then, upon the occurrence of any of the matters described in Subsections (a), (b) or (c), a Change of Control shall be deemed to have retroactively occurred on the date of the execution of the earliest of such agreement(s) or the passage of such resolution.

3.2 CAUSE. For purposes of this Agreement, "Cause" means (i) an act or acts of fraud, misappropriation, or embezzlement on the Executive's part which result in or are intended to result in his personal enrichment at the expense of the Company or its subsidiaries or affiliates, (ii) conviction of a felony, or (iii) willful failure to report to work for more than thirty (30) continuous days not attributable to eligible vacation or supported by a licensed physician's statement.

3.3 DISABILITY. For purposes of this Agreement, "Disability" means disability which after the expiration of more than twelve (12) months after its commencement is determined to be total and permanent by an independent physician mutually agreeable to the parties. Notwithstanding any disability of Executive, he shall continue to receive all compensation and benefits provided

under Section 2 until his employment is actually terminated, by a Notice of Termination pursuant to Section 4.2.

3.4 GOOD REASON. For purposes of this Agreement, "Good Reason" means:

(a) any failure by the Company and/or its subsidiaries or affiliates to furnish the Executive and/or where applicable, his family, with: (i) total annual cash compensation (including annual bonus), (ii) total aggregate value of perquisites, (iii) total aggregate value of benefits, or (iv) total aggregate value of long term compensation, including but not limited to stock options, in each case at least equal to or exceeding or otherwise comparable to in the aggregate, the highest level received by the Executive from the Company and/or its subsidiaries or affiliates during the six (6) month period (or the one (1) year period for compensation, perquisites and benefits which are paid less frequently than every six (6) months) immediately preceding the Change of Control, other than an insubstantial and inadvertent failure remedied by the Company within five (5) business days after receipt of notice thereof given by the Executive;

(b) the Company's and/or its subsidiaries' or affiliates' requiring the Executive to be based or to perform services at any site or location more than fifteen (15) miles from the site or location at which the Executive is based at the time of the Change of Control, except for travel reasonably required in the performance of the Executive's responsibilities (which does not materially exceed the level of travel required of the Executive in the six (6) month period immediately preceding the Change of Control);

(c) any failure by the Company to obtain the assumption and agreement to perform this Agreement by a successor as contemplated by Section 9; or

(d) without the express prior written consent of the Executive (which consent the Executive has the absolute right to withhold), (i) the assignment to the Executive of any duties inconsistent in any material respect with the highest level of the Executive's position (including titles and reporting relationships), authority, responsibilities or status as in effect at any time during the six (6) month period immediately preceding the Change of Control, or (ii) any other material adverse change in such position, authority, responsibility or status.

For the purposes of this Section 3.4, any good faith interpretation by the Executive of the foregoing definitions of "Good Reason" shall be conclusive on the Company. No termination by Executive for Good Reason shall be deemed a voluntary

termination by Executive for purposes of any stock option, employee benefit or similar plan of the Company.

3.5 NOTICE OF TERMINATION. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the termination date is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen (15) days after the giving of such notice).

3.6 DATE OF TERMINATION. Date of Termination means the date of receipt of the Notice of Termination or any later date specified therein, as the case may be.

3.7 SEVERANCE PERIOD. The Severance Period means a period of two (2) years beginning on the day following the Executive's Date of Termination.

4. TERMINATION.

4.1 EVENTS OF TERMINATION. The Executive may terminate his employment with the Company, for Good Reason, at any time during the first three (3) years following a Change in Control of the Company. The Company may terminate Executive's employment with the Company at any time upon the occurrence of one or more of the events set forth in subsections (a) through (c) below. The death or Disability of Executive shall in no event be deemed a termination of employment by Executive.

- (a) The death of Executive.
- (b) The Disability of Executive.
- (c) The discharge of Executive by the Company for

Cause.

4.2 NOTICE OF TERMINATION. Any termination of the Executive's employment by the Executive for Good Reason, or by the Company for Cause or otherwise, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 10(h).

5. OBLIGATIONS UPON TERMINATION.

5.1 VOLUNTARY TERMINATION BY EXECUTIVE AND TERMINATION FOR CAUSE. If the Executive's employment with the Company is terminated (i) voluntarily by the Executive, for any reason other than Good Reason, or (ii) by the Company for Cause, the Company shall pay Executive, within five (5) business days

after his Date of Termination, his Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid), and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans.

5.2 TERMINATION FOR DEATH OR DISABILITY. If Executive's employment is terminated by the Company due to the Executive's death or Disability, the Company shall pay Executive (or his heirs and/or personal representatives): (i) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); and (ii) the Bonus payable under Section 2.2, if any, for the fiscal year in which Executive's termination occurred, as if Executive had been employed by the Company for the full fiscal year; and the Company shall have no further obligation to provide compensation or benefits to Executive under this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. Amounts payable under subsection (i) of this Section 5.2 shall be paid within five (5) business days after the Date of Termination, and the Bonus payable under subsection (ii) shall be paid on or before May 15 of the fiscal year following the fiscal year in which the termination occurred.

5.3 TERMINATION BY THE COMPANY IN DEFAULT OF AGREEMENT. If the Executive's employment with the Company is terminated by the Company for any reason other than the Executive's death or Disability, or Cause, the Company shall pay and provide Executive:

(a) Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination (if not already paid); plus

(b) an amount equal to the greater of: (i) the average annual cash compensation (Base Salary, car allowance and Bonus) paid to Executive during the five (5) fiscal years immediately preceding the Date of Termination, MULTIPLIED BY the number of years or portions thereof remaining on the Employment Term on the Date of Termination; or (ii) the cash payment described in Section I of Exhibit A attached hereto and made a part hereof; plus

(c) the benefits described in Sections II through IV of Exhibit A.

The amounts payable under subsections (a) and (b) of this Section 5.3 shall be paid to Executive by cashier's check within five (5) business days after his Date of Termination. The payments and benefits paid and provided pursuant to this Section 5.3 (the "Default Payments") shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and as liquidated damages and in full settlement of any and all claims by Executive against the Company as a result of the Company's breach of this Agreement; except that, to the extent that the Company's insurance, stock option and other benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. Such Default Payments: (i) are not contingent on the occurrence of any change in the ownership or effective control of the Company; (ii) are not intended as a penalty; and (iii) are intended to compensate Executive for his damages incurred by reason of the Company's breach of this Agreement, which damages are difficult to ascertain.

5.4 TERMINATION BY EXECUTIVE FOR GOOD REASON. If the Executive's employment with the Company is terminated by the Executive for Good Reason, the Company shall pay and provide Executive, within five (5) business days after the Date of Termination, as severance compensation, the cash amounts and benefits (collectively, "Severance Benefits") described in Exhibit A. The Severance Benefits paid and provided pursuant to this Section 5.4 shall be in lieu of all other compensation and benefits payable to Executive under this Agreement, and in full settlement of any and all claims by Executive for such compensation or benefits; except that, to the extent that the Company's insurance, stock option and other employee benefit plans provide certain rights and benefits after an employee's termination, Executive may continue to receive such rights and benefits in accordance with the terms of such plans. The Company agrees that following a Change of Control, the Company shall not, without the Executive's consent, amend any employee insurance or benefit plan or program of the Company or its subsidiaries or affiliates in any manner that would adversely affect the Executive's rights under such plan or program.

6. COVENANT AGAINST UNFAIR COMPETITION.

(a) Executive agrees that while he is employed by the Company, and for a period of three (3) years following any termination of his employment, for any reason, he will not, for his own account or jointly with another, directly or indirectly, for or on behalf of any individual, partnership, corporation or other legal entity, as principal, agent or otherwise:

(i) own, control, manage, be employed by, consult with, or otherwise participate in, a business (other than that of the Company) involved within the Trade Area (as hereinafter defined) in (1) the storage, handling, delivery, marketing, sale,

distribution or brokerage of aviation fuel, marine fuel or lubricants, aviation flight services, or marine fuel services, (2) the collection, storage, handling, recycling, processing, refining, sale, brokerage, marketing or distribution of used oil or used oil products, or (3) any other service or activity which is competitive with the services or activities which are or have been performed by the Company or its subsidiaries or affiliates since January 1, 1994;

(ii) solicit, call upon, or attempt to solicit, the patronage of any individual, partnership, corporation or other legal entity to whom the Company or its subsidiaries or affiliates sold products or provided services, or from whom the Company or its subsidiaries or affiliates purchased products or services, at any time since January 1, 1994, for the purpose of obtaining the patronage of any such individual, partnership, corporation or other legal entity;

(iii) solicit or induce, or in any manner attempt to solicit or induce, any person employed by the Company or its subsidiaries or affiliates to leave such employment, whether or not such employment is pursuant to a written contract and whether or not such employment is at will; or

(iv) use, directly or indirectly, on behalf of himself or any other person or business entity, any trade secrets or confidential information concerning the business activities of the Company or any of the Company's subsidiaries or affiliates. Trade secrets and confidential information shall include, but not be limited to, lists of names and addresses of customers and suppliers, sources of leads and methods of obtaining new business, methods of marketing and selling products and performing services, and methods of pricing.

(b) As used herein, the term "Trade Area" shall mean: (i) the States of Florida, Louisiana, Georgia, Delaware, Pennsylvania, New York, California, Virginia, New Jersey, and Maryland, (ii) any other state where the Company and/or its subsidiaries or affiliates collect or sell used oil or used oil products, (iii) Singapore, Greece, South Korea, England and Costa Rica, and (iv) any airports or seaports throughout the world which are or were serviced by the Company or its subsidiaries or affiliates at any time since January 1, 1994.

(c) Executive recognizes the importance of the covenant contained in this Section 6 and acknowledges that, based on his past experience and training as an executive of the Company, the projected expansion of the Company's business, and the nature of his services to be provided under this Agreement, the restrictions imposed herein are: (i) reasonable as to scope, time and area; (ii) necessary for the protection of the Company's legitimate business interests, including without limitation, the

Company's trade secrets, goodwill, and its relationship with customers and suppliers; and (iii) not unduly restrictive of Executive's rights as an individual. Executive acknowledges and agrees that the covenants contained in this Section 6 are essential elements of this Agreement and that but for these covenants, the Company would not have agreed to enter into this Agreement.

(d) If Executive commits a breach or threatens to commit a breach of any of the provisions of this Section 6, the Company shall have the right and remedy, in addition to any others that may be available, at law or in equity, to have the provisions of this Section 6 specifically enforced by any court having equity jurisdiction, through injunctive or other relief, it being acknowledged that any such breach or threatened breach will cause irreparable injury to the Company, the amount of which will be difficult to determine, and that money damages will not provide an adequate remedy to the Company.

(e) If any covenant contained in this Section 6, or any part thereof, is hereafter construed to be invalid or unenforceable, the same shall not affect the remainder of the covenants, which shall be given full effect, without regard to the invalid portions, and any court having jurisdiction shall have the power to reduce the duration, scope and/or area of such covenant and, in its reduced form, said covenant shall then be enforceable.

(f) The provisions of this Section 6 shall survive the expiration and termination of this Agreement, and the termination of Executive's employment hereunder, for any reason.

7. NON-EXCLUSIVITY OF RIGHTS. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its subsidiaries or affiliates and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any employment, stock option or other agreements with the Company or any of its subsidiaries or affiliates. In the event there are any amounts which represent vested benefits or which the Executive is otherwise entitled to receive under any other plan or program of the Company or any of its subsidiaries or affiliates at or subsequent to the Date of Termination, the Company shall pay or cause the relevant plan or program to pay such amounts, to the extent not already paid, in accordance with the provisions of such plan or program.

8. FULL SETTLEMENT. Except as specifically provided otherwise in this Agreement, the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any setoff, counterclaim, recoupment, defense or other right which the Company

may have against the Executive or others. The Executive shall not be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. Except as expressly provided in Section II(ii) of Exhibit A, the Severance Benefits shall not be reduced by any compensation or benefits earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise. The Company agrees to pay all legal fees and expenses which the Executive may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company or others of the validity or enforceability of, or liability under any provision of this Agreement or any guarantee of performance thereof, in each case plus interest, compounded daily, on the total unpaid amount determined to be payable under this Agreement, such interest to be calculated on the basis of two percent (2%) over the base or prime rate announced by NationsBank of Florida, N.A. in effect from time to time during the period of such nonpayment, but in no event greater than the highest interest rate permitted by law for such payments.

9. SUCCESSORS. This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives, executors, heirs and legatees. This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether directly or indirectly, by purchase, merger, consolidation, acquisition of stock, or otherwise, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place, by a written agreement in form and substance reasonably satisfactory to the Executive, delivered to the Executive within five (5) business days after such succession.

10. MISCELLANEOUS.

(a) MODIFICATION AND WAIVER. Any term or condition of this Agreement may be waived at any time by the party hereto that is entitled to the benefit thereof; provided, however, that any such waiver shall be in writing and signed by the waiving party, and no such waiver of any breach or default hereunder is to be implied from the omission of the other party to take any action on account thereof. A waiver on one occasion shall not be deemed to be a waiver of the same or of any other breach on a future occasion. This Agreement may be modified or amended only by a writing signed by all of the parties hereto.

(b) GOVERNING LAW. The validity and effect of this Agreement shall be governed by and construed and enforced in

accordance with the laws of the State of Florida. In any action or proceeding arising out of or relating to this Agreement (an "Action"), each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of any federal or state court sitting in Miami, Florida, and further agrees that any Action may be heard and determined in such federal court or in such state court. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in Miami, Florida.

(c) TAX WITHHOLDING. The payments and benefits under this Agreement may be compensation and as such may be included in either the Executive's W-2 earnings statements or 1099 statements. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation, as well as any other deductions consented to in writing by the Executive.

(d) SECTION CAPTIONS. Section and other captions contained in this Agreement are for reference purposes only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

(e) SEVERABILITY. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

(f) INTEGRATED AGREEMENT. This Agreement constitutes the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, and supersedes any other employment agreements executed before the date hereof. There are no agreements, understandings, restrictions, representations or warranties among the parties other than those set forth herein or herein provided for.

(g) INTERPRETATION. No provision of this Agreement is to be interpreted for or against any party because that party or that party's legal representative drafted such provision. For purposes of this Agreement: "herein", "hereby", "hereunder", "herewith", "hereafter" and "hereinafter" refer to this Agreement in its entirety, and not to any particular subsection or paragraph. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

(h) NOTICES. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

IF TO THE EXECUTIVE: at the Executive's last address appearing in the payroll/personnel records of the Company.

IF TO THE COMPANY:

International Recovery Corp.
700 S. Royal Poinciana Blvd.
Suite 800
Miami Springs, FL 33166

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by addressee.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

WITNESSES: INTERNATIONAL RECOVERY CORP.

/S/ SONIA ASENCIO

By: /S/ JOHN BENBOW

/S/ JANET RUSAKOV

John R. Benbow, Chairman of the
Compensation Committee

/S/ SONIA ASCENCIO

/S/ RALPH WEISER

Executive

/S/ JANET RUSAKOV

EXHIBIT A
SEVERANCE BENEFITS

(I) CASH PAYMENT. The Company shall pay to the Executive the aggregate of the amounts determined pursuant to clauses (A) through (C) below:

(A) if not already paid, the Executive's Base Salary, unused vacation entitlement and car allowance through the Date of Termination; and

(B) an amount equal to the Executive's average annual Base Salary and annual car allowance (collectively, the "Average Base") paid to the Executive during the five (5) fiscal years immediately preceding the fiscal year of termination, MULTIPLIED BY three (3); provided, however, that if the Date of Termination is in the last two (2) years of the Employment Term, the Average Base shall be MULTIPLIED BY two (2); and

(C) an amount equal to the average annual bonus paid to the Executive during the five (5) fiscal years immediately preceding the fiscal year of termination (the "Average Bonus"); MULTIPLIED BY three (3); provided, however, that if the Date of Termination is in the last two (2) years of the Employment Term, the Average Bonus shall be MULTIPLIED BY two (2).

The Company shall pay to the Executive the aggregate of the amounts determined pursuant to clauses (A) through (C) above in a lump sum by cashier's check within five (5) business days after the Executive's Date of Termination.

(II) MEDICAL, DENTAL, DISABILITY, LIFE INSURANCE AND OTHER SIMILAR PLANS AND PROGRAMS. Until the earlier to occur of (i) the last day of the Severance Period, (ii) the date on which the Executive becomes eligible for the designated or comparable coverage as an employee of another employer which provides or offers such coverage to its employees, or (iii) in the case of benefits requiring employee contributions, the date the Executive fails to make such contributions pursuant to the Company's or the plan's instructions (which instructions shall be reasonable and given to the Executive by the Company within five (5) business days following the Executive's Date of Termination) or otherwise cancels his coverage in accordance with plan provisions, the Company shall continue to provide all benefits which the Executive and/or his family is or would have been entitled to receive under all medical, dental, disability, supplemental life, group life, accidental death and executive accident insurance, and other similar plans and programs of the Company and/or its subsidiaries or affiliates not otherwise provided for in this Agreement, in each case on a basis

providing the Executive and/or his family with the opportunity to receive benefits at least equal to the greatest level of benefits provided by the Company and/or its subsidiaries or affiliates for the Executive under such plans and programs as in effect at any time during the six (6) month period immediately preceding the Notice of Termination. The benefits will be paid for by the Company and, to the extent applicable, will be provided in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). If the Executive's participation in any such plan or program is barred by COBRA or for any other reason, the Company shall pay or provide for payment of such benefits or substantially similar benefits to the Executive and/or his family.

(III) STOCK OPTIONS AND RIGHTS. If the Executive is a participant in any stock option or stock purchase plan of the Company, or if the Executive is the holder of any options, warrants or rights to acquire capital stock of the Company (collectively "Stock Rights"), the Executive shall have all of the rights set forth in the relevant plans and Stock Rights. The phrase "Termination Date" as used in the Stock Rights shall mean the end of the Severance Period with respect to Non-Qualified Stock Options granted to the Executive, and the Executive's Date of Termination with respect to Incentive Stock Options granted to Executive.

(IV) DEFERRED COMPENSATION. The Company shall pay to the Executive the Executive's salary or incentive compensation awards that have been previously deferred, if any, in accordance with the terms of the Executive's individual deferred compensation agreement(s) or the applicable plan(s), as appropriate. The last day of the Severance Period will be considered to be the Executive's termination date for purposes of such agreement(s).

(V) TAXES. Notwithstanding anything in the foregoing to the contrary, the Company shall not be obligated to pay any portion of the Severance Benefits otherwise payable to Executive pursuant to Section 5.4 of this Agreement if the Company could not reasonably deduct such portion solely by operation of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this limitation: (i) no portion of the Severance Benefits, the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment, shall be taken into account; (ii) no portion of any Severance Benefits shall be taken into account which, in the opinion of tax counsel selected by the Company's independent auditors and acceptable to Executive, does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (iii) the Severance Benefits to Executive shall be reduced only to the extent necessary so that the total Severance Benefits (other than those referred to in clause (i) or ii)) in their entirety constitute reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code, in the opinion of the tax counsel

referred to in clause (ii); and (iv) the value of any non-cash benefit or any deferred payment or benefit included in the Severance Benefits shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

Dated as of the 15th day of February, 1995.

/S/ SONIA ASENCIO

Witness

/S/ RALPH WEISER

Executive

/S/ JANET RUSAKOV

Witness

INTERNATIONAL RECOVERY CORP.

/S/ SONIA ASENCIO

Witness

By: /S/ JOHN R. BENBOW

John R. Benbow, Chairman of the
Compensation Committee

/S/ JANET RUSAKOV

Witness

THIS AMENDMENT AGREEMENT NO. 3 (the "Amendment Agreement") is made and entered into as of this 5th day of May, 1995, effective as of March 31, 1995, by and among INTERNATIONAL RECOVERY CORP., a Florida corporation having its principal place of business in Miami Springs, Florida (the "Borrower"), each of the undersigned guarantors (each a "Guarantor" and collectively the "Guarantors"), and NATIONSBANK OF FLORIDA, NATIONAL ASSOCIATION, a national banking association and successor by merger to Citizens & Southern National Bank of Florida (the "Lender"). Unless the context otherwise requires, all terms used herein without definition shall have the respective definitions provided therefor in the Credit Agreement (as defined below).

W I T N E S S E T H :

WHEREAS, the Borrower, the Guarantors and the Lender have entered into that certain Revolving Loan Agreement and Credit Facility dated as of March 1, 1991, as amended by First Amendment to Revolving Loan Agreement and Credit Facility dated April 13, 1993 by and among the Borrower, the Lender and the Guarantors and as further amended by that certain Letter Agreement by and among the Borrower, the Lender and the Guarantors, whereby the Lender has made revolving credit loans to the Borrower, as at any time hereafter amended, restated, modified or supplemented, the "Credit Agreement"; and

WHEREAS, each of the Guarantors has executed in favor of the Lender a Guaranty Agreement pursuant to which it has guaranteed the payment and performance of the Borrower's obligations under the Loan Documents (each a "Guaranty" and collectively the "Guaranties"); and

WHEREAS, the Borrower has completed its acquisition of Trans-Tec Services, Inc. and certain affiliates thereof and has requested that the Lender formally consent to such acquisition; and

WHEREAS, the Lender is willing to consent to such acquisition upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and conditions herein set forth, it is hereby agreed as follows:

1. CREDIT AGREEMENT AMENDMENT. Subject to the conditions hereof, the Credit Agreement is hereby amended, effective as of March 31, 1995, as follows:

(a) Section 1 thereof is hereby amended to include the following definitions, which definitions shall be added in alphabetical order therein and the subsections thereof renumbered accordingly:

"Consolidated Capitalization" means, at any time at which the amount thereof is to be determined, the sum of Consolidated Funded Indebtedness plus Consolidated Shareholders' Equity."

"Consolidated Current Liabilities" means the aggregate amount carried as current liabilities on the books of the Borrower and its Subsidiaries, on a consolidated basis and after eliminating all intercompany items, determined in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis, less any such amount constituting Obligations of the Borrower incurred pursuant to this Agreement."

"Consolidated EBITDA" means, with respect to the Borrower and its Subsidiaries for any period of computation thereof, the sum of, without duplication, (i) Consolidated Net Income, (ii) Consolidated Interest Expense, (iii) provision for taxes, (iv) depreciation, and (v) amortization, all determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"Consolidated Fixed Charge Coverage Ratio" means, with respect to any Four-Quarter Period, the ratio of (i) the sum, for such period, of Consolidated EBITDA, minus maintenance capital expenditures to (ii) Consolidated Fixed Charges for such period."

"Consolidated Fixed Charges" means, with respect to Borrower and its Subsidiaries for any period of computation thereof, the sum of, without duplication, (i) Consolidated Interest Expense, (ii) Current Maturities of

Long-Term Debt (including all capital lease obligations) and (iii) all cash dividends and distributions paid during such period (regardless of when declared) on any shares of capital stock of the Borrower then outstanding, all determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"'Consolidated Funded Indebtedness' means, at any time as of which the amount thereof is to be determined, (i) all Indebtedness for Money Borrowed (excluding from the computation thereof Consolidated Current Liabilities other than Current Maturities of Long-Term Debt), plus (ii) the face amount of all outstanding standby letters of credit issued for the account of the Borrower or any of its Subsidiaries and all obligations (to the extent not duplicative) arising under such letters of credit, all determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"'Consolidated Interest Expense' means, with respect to any period of computation thereof, the gross interest expense of the Borrower and its Subsidiaries, including without limitation (i) the amortization of debt discounts, (ii) the amortization of all fees payable in connection with the incurrence of Indebtedness to the extent included in interest expense and (iii) the portion of any payments made in connection with Capital Leases allocable to interest expense, all determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"'Consolidated Net Income' means, for the Borrower and its Subsidiaries, for any period of computation thereof, the amount which, in conformity with Generally Accepted Accounting Principles, would be set forth opposite the caption "Net Income" (or any like caption) on a consolidated statement of earnings of the Borrower and its Subsidiaries."

"'Consolidated Shareholders' Equity' means at any time as of which the amount thereof is to be determined, the sum of the following in respect of the Borrower and its Subsidiaries (determined on a consolidated basis and excluding intercompany items among the Borrower and its Subsidiaries and any upward adjustment after December 31, 1994 due to revaluation of assets): (i) the amount of issued and outstanding share capital, plus (ii) the amount of additional paid-in capital and retained income (or, in the case of a deficit, minus the amount of such deficit), plus (iii) the amount of any foreign currency translation adjustment (if positive, or, if negative, minus the amount of such translation adjustment) minus (iv) the book value of any treasury stock and the book value of any stock subscription receivables, all as determined in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"'Consolidated Working Assets' means, at any time as of which the amount thereof is to be determined, the sum of cash plus the book value of cash equivalents, accounts receivable net of allowance for doubtful accounts, inventory and prepaid fuel, all determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

"'Current Maturities of Long-Term Debt' means, with respect to Indebtedness for Money Borrowed that matures more than one year from the date of its creation or matures within one year of the date of its creation but is renewable or extendable, at the option of the Borrower or any Subsidiary, to a date more than one year from the date of its creation, all payments in respect thereof

that are required to be made within one year from the date of any determination thereof."

"'Four-Quarter Period' means any four consecutive fiscal quarters of the Borrower and its Subsidiaries taken together as one accounting period."

"'Indebtedness for Money Borrowed' means for the Borrower and its Subsidiaries on a consolidated basis, all indebtedness of the Borrower or any of its Subsidiaries in respect of money borrowed, including without limitation all capital leases and the deferred purchase price of any property or asset, evidenced by a promissory note, bond, debenture or similar written obligation for the payment of money (including without limitation conditional sales contracts or similar title retention agreements)."

(b) Section 1 thereof is hereby further amended to delete the definition of "Tangible Net Worth" and to replace such definition in its entirety with the following:

"'Consolidated Tangible Net Worth' means at any time as of which the amount thereof is to be determined, Consolidated Shareholders' Equity less (without duplication of deductions in respect of items already deducted in arriving at surplus and retained earnings) the net book value of all assets which would be treated as intangible assets, all as determined on a consolidated basis in accordance with Generally Accepted Accounting Principles applied on a Consistent Basis."

(c) Section 8.4 thereof is hereby amended and restated in its entirety to read as follows:

"8.4 Quarterly Compliance Certificate. Concurrently with the delivery of the financial statements referred to above, the Borrower shall provide the Bank written calculations, certified as authentic by the Chief Financial Officer, President, Executive Vice President or Chairman of the Board of the Borrower, setting forth and evidencing full compliance with all affirmative and negative loan covenants as set forth in the Commitment Letter and in this Agreement. The Chief Financial Officer, President, Executive Vice President or Chairman of the Board of Borrower shall also certify, in the Quarterly Compliance Certificate, that the Borrower and the Subsidiaries are (i) current with all trade payables, except trade payables contested in good faith in the ordinary course of business, and (ii) in full compliance with the established Standby and Documentary Letters of Credit sublimits and terms."

(d) A new Section 8.18 is hereby added thereto to read in its entirety as follows:

"8.18 New Subsidiaries. In the event of the acquisition or creation of any new Subsidiary, cause to be delivered to the Lender each of the following within thirty (30) days of the acquisition or creation of such Subsidiary:

(i) a Guaranty, substantially in the form of Exhibit "D" attached hereto, executed by such Subsidiary, substantially in the form of the Guaranty;

(ii) an opinion of counsel to such Subsidiary dated as of the date of delivery of such Guaranty and addressed to the Lender, in form and substance reasonably acceptable to the Lender, to the effect that:

(A) such Subsidiary is duly organized, validly existing and in good standing in the jurisdiction of its organization, has the requisite power and authority to own its properties and conduct its business as then owned and proposed to be conducted and is duly qualified to transact business and is in good standing as a foreign corporation in each other jurisdiction in which the character of the properties owned or leased, or the business carried on by it, requires such qualification and in which the failure to so qualify could reasonably be expected to have a material adverse effect on the condition, financial or otherwise, of the Borrower and its Subsidiaries taken as a whole; and

(B) the execution, delivery and performance of such Guaranty have been duly authorized by all requisite corporate action (including any required shareholder approval), such Guaranty has been duly executed and delivered and constitutes a valid and binding obligation of such Subsidiary, enforceable against such Subsidiary in accordance with its terms, subject to applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity).

(iii) current copies of the charter or other organizational documents, any bylaws of such Subsidiary, minutes of duly called and conducted meetings (or duly effected consent actions) of the Board of Directors, or appropriate committees thereof (and, if required by such

charter or other organizational documents, bylaws or by applicable laws, of the shareholders) of such Subsidiary authorizing the actions and the execution, delivery and performance of such Guaranty."

(e) A new Section 8.19 is hereby added thereto to read in its entirety as follows:

"8.19 Covenants Extending to Subsidiaries. Without duplication, Borrower will cause each of its Subsidiaries to do with respect to itself, its business and its assets, each of the things required of the Borrower in Sections 8.8, 8.9, 8.11, 8.12, 8.15 and 8.16 hereof."

(f) The first sentence of Section 9 thereof is hereby amended in its entirety to read as follows:

"Borrower agrees that during the term of this Agreement and so long thereafter as Obligations remain outstanding, Borrower will not, nor will it permit any Subsidiary to:"

(g) Section 9.2 thereof is hereby amended in its entirety to read as follows:

"9.2 Minimum Consolidated Tangible Net Worth. Permit its Consolidated Tangible Net Worth at any time during any period set forth to be less than the amounts set forth opposite such period below:

Period	Consolidated Tangible Net Worth
March 31, 1995 through and including March 30, 1996	\$36,000,000
March 31, 1996 through and including March 30, 1997	\$41,000,000
March 31, 1997 and thereafter	\$46,000,000"

(h) Section 9.3 thereof is hereby amended in its entirety to read as follows:

"9.3 Consolidated Funded Indebtedness to Consolidated Capitalization. Permit at any time the ratio of Consolidated Funded Indebtedness to Consolidated Capitalization to be equal to or greater than .55 to 1.00.

(i) Section 9.4 thereof is hereby amended in its entirety to read as follows:

"9.4 Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio to be at any time less than 1.35 to 1.00.

(j) Section 9.5 thereof is hereby amended in its entirety to read as follows:

"9.5 Working Asset Coverage Ratio. Permit at any time the ratio of (i) Consolidated Working Assets to (ii) the sum of (A) Obligations of the Borrower under this Agreement plus (B) trade accounts payable to be less than 1.125 to 1.00.

(k) Section 9.13 thereof is hereby amended in its entirety to read as follows:

"9.13 Dividends. Pay or declare any dividends (other than dividends payable in capital stock of Borrower) or apply any of its property or assets to the purchase, redemption or other retirement of Borrower's capital stock or in any way reduce its capital structure. However, the Borrower may (a) purchase its capital stock provided that (i) the aggregate number of shares purchased through March 31, 1996 does not exceed 400,000 shares, and (ii) the aggregate total value of stock purchased from the date of this Agreement through March 31, 1996 does not exceed \$8,000,000; (b) issue stock as a dividend up to 400,000 shares provided that the aggregate total value of stock so issued shall not exceed \$8,000,000; and (c) declare and pay cash dividends on outstanding shares of any class of its capital stock provided that the aggregate amount of such dividends declared or paid during any Four-Quarter Period shall not exceed 25% of Consolidated Net Income for such Four-Quarter Period so long as prior to such actions in (a), (b) or (c) above and after giving effect thereto, the Borrower is in compliance with all terms, conditions, covenants, and representations and warranties in the Agreement, and prior to such actions defined in (a), (b) and (c) above and after giving effect thereto, no Event of Default has or will occur.

(j) Section 12.13 thereof is hereby amended to provide that the address for notices to be sent to the Lender is as follows:

"NationsBank of Florida, National Association
150 S.E. Third Ave.
Miami, Florida 33131
Attention: Corporate Banking Department"

(l) Exhibit D as attached hereto is hereby added as Exhibit "D" to the Credit Agreement.

2. AMENDMENT OF GUARANTY. The Guaranty is hereby amended, effective as of March 31, 1995, as follows:

(a) The introductory paragraph immediately preceding Section 1 thereof is hereby amended and restated in its entirety as follows:

"That for and in consideration of the sum of \$10.00 and other good and valuable consideration in hand paid to each Guarantor by Lender simultaneously with the execution and delivery of these presents, the receipt whereof is hereby acknowledged, and in consideration of the making of the loan described in Exhibit "A", attached hereto and made a part hereof, hereinafter referred to as the "Loan" to the Borrower designated in said Exhibit "A" hereinafter referred to as "Borrower", and in consideration and acknowledgement that each Guarantor will substantially benefit from the making of the Loan to the Borrower, each Guarantor covenants and agrees with Lender as follows:"

(b) Section 1 thereof is hereby amended and restated in its entirety as follows:

"1. Guarantors absolutely and unconditionally guaranty, jointly and severally, to Lender, with full power to satisfy, discharge, release, foreclose, assign and transfer the within Guaranty and to designate a substitute nominee in the place of Lender and its successors, participants, endorsees or assigns, the due performance and full and prompt payment, whether at maturity or by acceleration or otherwise, of any and all Borrower's Liabilities (as hereinafter defined) (hereinafter collectively referred to as the "Guarantors' Obligations"); provided, however, that the liability of any Guarantor hereunder with respect to the Guarantors Obligations shall not exceed at any time the Maximum Amount (as hereinafter defined). The "Maximum Amount" means the greater of (x) the aggregate amount of all advances to or investments in the Guarantor made directly or indirectly with the proceeds of loans and advances made to the Borrower under the Credit Agreement or (y) 95% of (a) the fair salable value of the assets of the Guarantor as of the date hereof minus (b) the total liabilities of the Guarantor (including contingent liabilities, but excluding liabilities of the Guarantor under this Guaranty and the other Loan Documents executed by the Guarantor) as of the date hereof; provided, further, that if the calculation of the Maximum Amount in the manner provided above as of the date payment is required of the Guarantor pursuant to this Guaranty would result in a greater positive number, then the Maximum Amount shall be deemed to be such greater positive number."

(c) Section 2 thereof is hereby amended and restated in its entirety as follows:

"2. For purposes of this Guaranty, "Borrower's Liabilities" shall mean and include any and all advances (including those made by Lender to protect, enlarge or preserve the priority, propriety, or amount of any lien in favor of the Lender against mechanic's lien, equitable lien, or statutory claimants, or otherwise), debts, obligations and liabilities of Borrower pursuant to the terms of the Credit Agreement, the Note and all other Loan Documents executed in connection therewith heretofore, now, or hereafter made, incurred or created, extended, renewed, replaced, refinanced or restructured, whether or not from time to time decreased or extinguished and later increased, created or incurred, whether voluntary or involuntary and, however arising, whether due or not, absolute or contingent, liquidated or non-liquidated, determined or undetermined, and whether Borrower may be liable individually or jointly with others, or whether recovery upon such indebtedness may be or hereafter become barred by any statute of limitations, or whether such indebtedness may be or hereafter become otherwise unenforceable (collectively referred to hereinafter as the "Borrower's Liabilities"). This is a continuing Guaranty relating to the Borrower's Liabilities, and any other indebtedness arising under subsequent or successive transactions which increase the Borrower's Liabilities, and said Guaranty shall be irrevocable and remain outstanding until all the Borrower's Liabilities are satisfied in full and the Lender shall have no further obligation to make loans and advances under the Credit Agreement."

(d) Section 4 thereof is hereby amended as follows:

(i) The reference in clause (a) thereof to "indebtedness" is hereby amended to refer to "Borrower's Liabilities".

(ii) The reference in clause (b) thereof to "or the indebtedness guaranteed," shall be replaced with "and the Guarantors' Obligations and".

(iii) The reference in clause (d) thereof to "of the endorsers or guarantors" shall be replaced with "endorsers or guarantors of the Borrower's Liabilities".

(e) Section 5 thereof is hereby amended and restated in its entirety to read as follows:

"5. Each Guarantor waives any right to require Lender to (a) proceed against Borrower; (b) proceed

against or exhaust any security held from Borrower; or (c) pursue any other remedy in Lender's power whatsoever. Guarantor waives any defense arising by reason of any disability or other defense of Borrower or by reason of the cessation from any cause whatsoever of the liability of Borrower to Lender. Until all the Borrower's Liabilities shall have been paid in full and the Lender shall have no further obligation to make loans and advances under the Credit Agreement, each Guarantor waives any right to endorse any remedy which Lender now has or may hereafter have against Borrower, and waives any benefit of, and any right to participate in, any security now or hereafter held by Lender as collateral security for the Borrower's Liabilities. Each Guarantor waives all presentments, demands for performance, notices of non-performance, protests, notices of dishonor, notices of acceptance of this Guaranty and of the existence, creation, or incurring of new or additional indebtedness; any defense or circumstance which might otherwise constitute a legal or equitable discharge of a guarantor or a surety; and all rights under any state or federal statute dealing with or affecting the rights of creditors. Each Guarantor covenants to cause Borrower to maintain and preserve the enforceability of any instruments now or hereafter executed in favor of Lender, and to take no action of any kind which might be the basis for a claim that such Guarantor has any defense hereunder in connection with the above-mentioned Loan Documents, other than payment in full of the Borrower's Liabilities. Each Guarantor waives any right or claim of right to cause a marshalling of Borrower's assets or to require Lender to proceed against the Guarantors or any other guarantor of the Borrower's Liabilities in any particular order. No delay on the part of Lender in the exercise of any right, power or privilege under the Loan Documents or under this Guaranty shall operate as a waiver of any such privilege, power or right."

(f) Section 6 thereof is hereby amended as follows:

(i) The first word thereof is hereby deleted and replaced with the following phrase:

"Until the Borrower's Liabilities are paid in full and the Lender is under no further obligation to make loans and advances under the Credit Agreement, any"

(ii) References therein to "indebtedness of Borrower to Lender" are hereby replaced with "Borrower's Liabilities".

(iii)The following two sentences are hereby added to the end of such Section:

"Guarantor, at the request of the Lender, shall execute such further documents in favor of the Lender to further evidence and support the purpose of this Section 6. Each Guarantor hereby irrevocably waives and releases any right or rights of subrogation or contribution existing at law, by contract or otherwise to recover all or a portion of any payment made hereunder from the Borrower or any other guarantor.

(g) Section 7 thereof is hereby deleted in its entirety and the remaining Sections thereof renumbered accordingly.

(h) Section 8 thereof is hereby amended as follows:

(i) The phrase "obligations and liabilities of Borrower and/or Guarantor to Lender, whether direct or contingent, in connection with the Loan Documents hereinabove referred to," is hereby replaced with "Guarantors' Obligations".

(ii) The last two words in such Section are hereby deleted and replace with the following phrase:

", jointly and severally, by Guarantors without any offset of any kind whatsoever, without the Lender first being required to make demand upon the Borrower or pursue any of its rights against Borrower, or against any other person, including other guarantors (whether or not party to this Guaranty)."

(i) Section 9 thereof is hereby amended to replace the phrase "covering said indebtedness" in each place that it occurs with the phrase "executed in connection with this Guaranty or the Guarantors' Obligations hereunder".

(j) Section 10 thereof is hereby amended to replace the phrase "liabilities or obligations of Borrower" with the phrase "of Borrower's Liabilities".

(k) The last sentence of Section 11 thereof is hereby amended and restated in its entirety as follows:

"Any action taken by Lender pursuant to the provisions herein contained or contained in the Credit Agreement, the Note or the Loan Documents, shall not release the Guarantor until all of the Borrower's Liabilities are paid in full and the Lender shall have no further

obligation to make loans and advances under the Credit Agreement."

(l) Section 13 thereof is hereby renumbered Section 14 and the address of the Lender is hereby amended and restated in its entirety as follows:

"NationsBank of Florida,
National Association
150 S.E. Third Avenue
Miami, Florida 33131
Attention: Corporate Banking"

(m) New Sections 12 and 13 (as renumbered in accordance with Subsection 2(g) above) are hereby added thereto to read in their entirety as follows:

"12. Guarantors will upon demand pay to the Lender, jointly and severally, the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which it may reasonably incur in connection with enforcement of this Guaranty or the failure by any Guarantor to perform or observe any of the provisions hereof. Guarantors agree to indemnify and hold harmless the Lender from and against any and all claims, demands, losses, judgments and liabilities (including liabilities for penalties) of whatsoever kind or nature, growing out of or resulting from this Guaranty or the exercise by the Lender of any right or remedy granted to it hereunder or under the other Loan Documents, other than such items arising out of the bad faith, gross negligence or willful misconduct on the part of the Lender or an officer, co-officer, director, co-director, employee, co-employee, agent or co-agent thereof or breach of this Agreement by the Lender or an officer, co-officer, director, co-director, employee, co-employee, agent or co-agent thereof. If and to the extent that the obligations of the Guarantors under this Section 14 are unenforceable for any reason, Guarantors hereby agree to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under applicable law.

13. If claim is ever made upon the Lender for repayment or recovery of any amount or amounts received in payment or on account of the Guarantors' Obligations and the Lender repays all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over such payee or any of its property, or (b) any settlement or compromise of any such claim effected by the Lender with any such claimant (including the original obligor), then

and in such event each Guarantor agrees that any such judgment, decree, order, settlement or compromise shall be binding upon it, notwithstanding any revocation hereof or the cancellation of any Note or other instrument evidencing any Guaranteed Obligation or any security therefor, and Guarantors shall be and remain jointly and severally liable to the Lender for the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Lender."

3. CONSENT TO TRANS-TEC, INC. ACQUISITION. The Lender hereby consents to the acquisition of (i) certain assets of Trans-Tec Services, Inc., a New York corporation, and Trans-Tec Servicios, S.A., a Costa Rica corporation, by Trans-Tec Services, Inc., a Delaware corporation ("Trans-Tec Delaware") and the formation and operation of Trans-Tec Delaware as a new Subsidiary; and (ii) all of the outstanding capital stock of Trans-Tec (UK) Ltd., a United Kingdom corporation ("Trans-Tec UK") by Borrower, and the operation of Trans-Tec UK and its subsidiary, Trans-Tec (Singapore), Ltd., a Singapore corporation, as new Subsidiaries; and the Lender agrees that the foregoing transactions, and the indebtedness incurred by Borrower in connection therewith, do not violate Sections 9.6, 9.7 or 9.11 of the Credit Agreement.

4. REPRESENTATIONS AND WARRANTIES. In order to induce the Lender to enter into this Amendment Agreement, the Borrower hereby represents and warrants that the Credit Agreement has been re-examined by the Borrower and that except as disclosed by the Borrower in writing to the Lender as of the date hereof:

(a) The representations and warranties made by the Borrowers in Section 10 thereof are true on and as of the date hereof;

(b) There has been no material adverse change in the condition, financial or otherwise, of the Borrower and its Subsidiaries since the date of the most recent consolidated financial statements of the Borrower and its Subsidiaries delivered to the Lender under Section 8.3 thereof, other than changes in the ordinary course of business;

(c) The business and properties of the Borrower and its Subsidiaries are not, and since the date of the most recent consolidated financial statements of the Borrower and its Subsidiaries delivered to the Lender under Section 8.3 thereof, have not been, adversely affected in any substantial way as the result of any fire, explosion, earthquake, accident, strike, lockout, combination of workers, flood, embargo, riot, activities of armed forces, war or acts of God or the public enemy, or cancellation or loss of any major contracts; and

(d) After giving effect to this Amendment Agreement, no condition exists which, upon the effectiveness of the amendment contemplated hereby, would constitute a Default or an Event of Default on the part of the Borrower under the Credit Agreement or the other Loan Documents, either immediately or with the lapse of time or the giving of notice, or both.

5. CONDITIONS PRECEDENT. The effectiveness of this Amendment Agreement is subject to the receipt by the Lender of the following:

(i) four counterparts of this Amendment Agreement duly executed by all signatories hereto;

(ii) opinion of counsel for the Borrower and the Guarantors as to the authorization, execution and delivery of this Amendment Agreement and the enforceability of the same against the Borrower and the Guarantors in accordance with its terms;

(iii) resolutions of the Board of Directors or other governing body of the Borrower and the Guarantors approving this Amendment Agreement certified by the Secretary of such Borrower or Guarantor;

(iv) a Guaranty executed by Trans-Tec, Inc. and all other Subsidiaries of the Borrower not party to a Guaranty;

(v) a complete list as of the date hereof of the Subsidiaries of the Borrower, stating the authorized and issued capitalization of each Subsidiary, the number of shares or other equity interests of each class of stock or interests issued and outstanding of each such Subsidiary and the number and/or percentage of outstanding shares or other equity interest including options, warrants and other rights to acquire any interest of each such class of capital stock or equity interest owned by the Borrower or by any such Subsidiary; and

(vi) copies of all additional agreements, instruments and documents which the Lender may reasonably request, such documents, when appropriate, to be certified by appropriate governmental authorities.

All proceedings of the Borrower relating to the matters provided for herein shall be satisfactory to the Lender and its counsel.

6. ENTIRE AGREEMENT. This Amendment Agreement sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relative to such

subject matter. No promise, condition, representation or warranty, express or implied, not herein set forth shall bind any party hereto, and no one of them has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as in this Amendment Agreement otherwise expressly stated, no representations, warranties or commitments, express or implied, have been made by any party to the other. None of the terms or conditions of this Amendment Agreement may be changed, modified, waived or canceled orally or otherwise, except by writing, signed by all the parties hereto, specifying such change, modification, waiver or cancellation of such terms or conditions, or of any proceeding or succeeding breach thereof.

7. FULL FORCE AND EFFECT OF AGREEMENT. Except as hereby specifically amended, modified or supplemented, the Credit Agreement and all other Loan Documents are hereby confirmed and ratified in all respects and shall remain in full force and effect according to their respective terms.

8. COUNTERPARTS. This Amendment Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

9. GOVERNING LAW. THIS AMENDMENT AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY THE LAW OF THE STATE OF FLORIDA, WITHOUT REGARD TO ANY OTHERWISE APPLICABLE PRINCIPLES OF CONFLICT OF LAWS. THE BORROWER HEREBY (i) SUBMITS TO THE JURISDICTION AND VENUE OF THE STATE AND FEDERAL COURTS OF FLORIDA FOR THE PURPOSES OF RESOLVING DISPUTES HEREUNDER OR UNDER ANY OF THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY OR FOR PURPOSES OF COLLECTION AND (ii) WAIVES TRIAL BY JURY IN CONNECTION WITH ANY SUCH LITIGATION.

10. ENFORCEABILITY. Should any one or more of the provisions of this Amendment Agreement be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

11. CREDIT AGREEMENT. All references in any of the Loan Documents to the Credit Agreement shall mean and include the Credit Agreement as amended hereby.

12. GUARANTORS. Each of the Guarantors joins in the execution of this Amendment Agreement for the purpose of (i) consenting to the amendment hereby of the Credit Agreement and the Guaranties and (ii) hereby confirming its obligations under the Guaranty to which it is a party.

13. SUCCESSORS AND ASSIGNS. This Amendment Agreement shall be binding upon and inure to the benefit of each of the Borrower, the Lenders, the Lender and their respective successors, assigns and legal representatives; provided, however, that the Borrower,

without the prior consent of the Lenders, may not assign any rights, powers, duties or obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this
Amendment Agreement to be duly executed by their duly authorized
officers, all as of the day and year first above written.

BORROWER:

INTERNATIONAL RECOVERY CORP.

By: /S/ ROBERT S. TOCCI

Robert S. Tocci

Executive Vice President

Signature Page 1 of 3

GUARANTORS:

ADVANCE PETROLEUM, INC., a Florida corporation
INTERNATIONAL PETROLEUM CORPORATION, a Florida corporation
INTERNATIONAL PETROLEUM CORPORATION OF LOUISIANA, a Louisiana corporation
INTERNATIONAL PETROLEUM CORPORATION OF LAFAYETTE, a Louisiana corporation
INTERNATIONAL ENVIRONMENTAL SERVICES, INC., a Florida corporation
RESOURCE RECOVERY OF AMERICA, INC., a Florida corporation
CHEROKEE GROUP, INC., a Florida corporation
INTERNATIONAL PETROLEUM CORPORATION OF GEORGIA, a Georgia corporation
INTERNATIONAL PETROLEUM CORPORATION OF MARYLAND, a Maryland corporation
INTERNATIONAL PETROLEUM CORPORATION OF DELAWARE, a Delaware corporation
ADVANCE AVIATION SERVICES, INC., a Florida corporation
WORLD FUEL SERVICES, INC., a Texas corporation
WORLD FUEL SERVICES, LTD., a United Kingdom corporation
RESOURCE RECOVERY MID SOUTH, INC., a Virginia corporation
RESOURCE RECOVERY ATLANTIC, INC., a Delaware corporation
TRANS-TEC SERVICES, INC., a Delaware corporation
TRANS-TEC SERVICES (UK) LTD, a United Kingdom corporation
TRANS-TEC SERVICES (SINGAPORE) LTD, a Singapore corporation

By: /S/ ROBERT S. TOCCI

Robert S. Tocci, Executive Vice
President of International Recovery
Corp., as attorney-in-fact

LENDER: NATIONSBANK OF FLORIDA, NATIONAL
ASSOCIATION

By: /S/ STEPHEN HANAS

Name: Stephen Hanas
Title: Vice President

Signature Page 3 of 3

PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "1933 ACT"), OR ANY STATE SECURITIES LAWS. THIS NOTE MAY NOT BE NEGOTIATED, SOLD, ASSIGNED OR TRANSFERRED UNLESS SUCH TRANSFER IS REGISTERED UNDER THE 1933 ACT AND APPLICABLE STATE SECURITIES LAWS, OR UNLESS SUCH TRANSFER, IN THE REASONABLE OPINION OF COUNSEL TO THE DEBTOR, IS EXEMPT FROM SUCH REGISTRATION OR IS NOT REQUIRED TO BE SO REGISTERED.

\$1,605,000

January 3, 1995

INTERNATIONAL RECOVERY CORP., a Florida corporation (hereinafter referred to as "Debtor"), for value received, hereby promises to pay to the order of Theofilos A. Vatis (hereinafter referred to as "Payee"), the principal sum of \$1,605,000 which shall be payable in three (3) equal, annual installments of principal and interest, commencing on the first anniversary of the date of this Note, and continuing on the same day each year thereafter until this Note is paid in full. The principal amount outstanding shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the annual rate of nine percent (9%). Debtor may prepay this Note, in whole or in part, at any time and from time to time without fee, premium or penalty.

Debtor shall be in default under this Note:

(a) If Debtor shall fail to make any payment of principal and interest due hereunder within ten (10) days after the date due;

(b) If Debtor shall: (i) voluntarily commence any proceedings or file any petitions seeking relief under Title 11 of the United States Code or any other federal, state or foreign bankruptcy, insolvency or similar law; (ii) consent to the institution of, or fail to controvert in a timely manner, any such proceeding or the filing of any such petition; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Debtor or for a substantial part of its property; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceedings; or (v) make a general assignment for the benefit of creditors; or

(c) If an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking relief in respect to Debtor, or a substantial part of its property, under Title 11 of the United States Code or any other federal, state, or foreign bankruptcy, insolvency or similar law, and such proceeding or petition shall continue undismissed for 90 days.

In the event Debtor shall be in default under this Note, then, at the option of Payee, the entire unpaid principal balance of this Note, together with accrued interest thereon, may be declared, and thereupon immediately shall become, due and payable. While in default, such unpaid principal and interest shall bear interest at the rate of twelve percent (12%) per year. In the event of default, Payee shall be entitled to recover all the costs of collection of this Note, including reasonable attorney's fees and court costs.

This Note has been issued pursuant to an Acquisition Agreement, dated December 9, 1994, among Debtor, Payee and others (the "Acquisition Agreement"), which agreement is incorporated herein by this reference. Unless otherwise defined in this Note, capitalized terms used herein will have the meanings assigned to them in the Acquisition Agreement. Notwithstanding anything to the contrary contained in this Note, Debtor shall have the right to offset, against any and all amounts payable under this Note, any Indemnified Losses incurred or sustained by an Indemnitee in accordance with the indemnification and contribution provisions set forth in Section 9 of the Acquisition Agreement, except as provided in Section 9.7.1 therein with respect to Receivable Claims. To the extent of any such offset, the principal amount outstanding under this Note shall be reduced, and interest as stated herein shall accrue from the date of such offset only on the principal balance as so reduced.

Debtor waives presentment, protest, demand, and diligence in collection, and notice of protest, presentment, demand, dishonor and non-payment in connection with this Note. This Note is to be construed in accordance with the laws of the State of Florida.

THE DEBTOR HEREBY, AND THE PAYEE BY ITS ACCEPTANCE OF THIS NOTE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY OF THEM MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, ANY GUARANTEE SIGNED IN CONNECTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (VERBAL OR WRITTEN) OR ACTION OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PAYEE MAKING THE LOAN EVIDENCED BY THIS NOTE.

IN WITNESS WHEREOF, Debtor has caused this Note to be executed in Wilmington, Delaware, on its behalf by its duly authorized officer on the day and year first above written.

INTERNATIONAL RECOVERY CORP.,
a Florida corporation

By: /s/ Jerrold Blair

Jerrold Blair, President

PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "1933 ACT"), OR ANY STATE SECURITIES LAWS. THIS NOTE MAY NOT BE NEGOTIATED, SOLD, ASSIGNED OR TRANSFERRED UNLESS SUCH TRANSFER IS REGISTERED UNDER THE 1933 ACT AND APPLICABLE STATE SECURITIES LAWS, OR UNLESS SUCH TRANSFER, IN THE REASONABLE OPINION OF COUNSEL TO THE DEBTOR, IS EXEMPT FROM SUCH REGISTRATION OR IS NOT REQUIRED TO BE SO REGISTERED.

\$1,425,000

January 3, 1995

INTERNATIONAL RECOVERY CORP., a Florida corporation (hereinafter referred to as "Debtor"), for value received, hereby promises to pay to the order of Michael J. Kasbar hereinafter referred to as "Payee"), the principal sum of \$1,425,000 which shall be payable in three (3) equal, annual installments of principal and interest, commencing on the first anniversary of the date of this Note, and continuing on the same day each year thereafter until this Note is paid in full. The principal amount outstanding shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the annual rate of nine percent (9%). Debtor may prepay this Note, in whole or in part, at any time and from time to time without fee, premium or penalty.

Debtor shall be in default under this Note:

(a) If Debtor shall fail to make any payment of principal and interest due hereunder within ten (10) days after the date due;

(b) If Debtor shall: (i) voluntarily commence any proceedings or file any petitions seeking relief under Title 11 of the United States Code or any other federal, state or foreign bankruptcy, insolvency or similar law; (ii) consent to the institution of, or fail to controvert in a timely manner, any such proceeding or the filing of any such petition; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Debtor or for a substantial part of its property; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceedings; or (v) make a general assignment for the benefit of creditors; or

(c) If an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking relief in respect to Debtor, or a substantial part of its property, under Title 11 of the United States Code or any other federal, state, or foreign bankruptcy, insolvency or similar law, and such proceeding or petition shall continue undismissed for 90 days.

In the event Debtor shall be in default under this Note, then, at the option of Payee, the entire unpaid principal balance of this Note, together with accrued interest thereon, may be declared, and thereupon immediately shall become, due and payable. While in default, such unpaid principal and interest shall bear interest at the rate of twelve percent (12%) per year. In the event of default, Payee shall be entitled to recover all the costs of collection of this Note, including reasonable attorney's fees and court costs.

This Note has been issued pursuant to an Acquisition Agreement, dated December 9, 1994, among Debtor, Payee and others (the "Acquisition Agreement"), which agreement is incorporated herein by this reference. Unless otherwise defined in this Note, capitalized terms used herein will have the meanings assigned to them in the Acquisition Agreement. Notwithstanding anything to the contrary contained in this Note, Debtor shall have the right to offset, against any and all amounts payable under this Note, any Indemnified Losses incurred or sustained by an Indemnitee in accordance with the indemnification and contribution provisions set forth in Section 9 of the Acquisition Agreement. To the extent of any such offset, the principal amount outstanding under this Note shall be reduced, and interest as stated herein shall accrue from the date of such offset only on the principal balance as so reduced.

Debtor waives presentment, protest, demand, and diligence in collection, and notice of protest, presentment, demand, dishonor and non-payment in connection with this Note. This Note is to be construed in accordance with the laws of the State of Florida.

THE DEBTOR HEREBY, AND THE PAYEE BY ITS ACCEPTANCE OF THIS NOTE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY OF THEM MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, ANY GUARANTEE SIGNED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (VERBAL OR WRITTEN) OR ACTION OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PAYEE MAKING THE LOAN EVIDENCED BY THIS NOTE.

IN WITNESS WHEREOF, Debtor has caused this Note to be executed in Wilmington, Delaware, on its behalf by its duly authorized officer on the day and year first above written.

INTERNATIONAL RECOVERY CORP.,

a Florida corporation

By: /s/ Jerrold Blair

Jerrold Blair, President

PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "1933 ACT"), OR ANY STATE SECURITIES LAWS. THIS NOTE MAY NOT BE NEGOTIATED, SOLD, ASSIGNED OR TRANSFERRED UNLESS SUCH TRANSFER IS REGISTERED UNDER THE 1933 ACT AND APPLICABLE STATE SECURITIES LAWS, OR UNLESS SUCH TRANSFER, IN THE REASONABLE OPINION OF COUNSEL TO THE DEBTOR, IS EXEMPT FROM SUCH REGISTRATION OR IS NOT REQUIRED TO BE SO REGISTERED.

\$1,365,000

January 3, 1995

INTERNATIONAL RECOVERY CORP., a Florida corporation (hereinafter referred to as "Debtor"), for value received, hereby promises to pay to the order of Paul H. Stebbins (hereinafter referred to as "Payee"), the principal sum of \$1,365,000 which shall be payable in three (3) equal, annual installments of principal and interest, commencing on the first anniversary of the date of this Note, and continuing on the same day each year thereafter until this Note is paid in full. The principal amount outstanding shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the annual rate of nine percent (9%). Debtor may prepay this Note, in whole or in part, at any time and from time to time without fee, premium or penalty.

Debtor shall be in default under this Note:

(a) If Debtor shall fail to make any payment of principal and interest due hereunder within ten (10) days after the date due;

(b) If Debtor shall: (i) voluntarily commence any proceedings or file any petitions seeking relief under Title 11 of the United States Code or any other federal, state or foreign bankruptcy, insolvency or similar law; (ii) consent to the institution of, or fail to controvert in a timely manner, any such proceeding or the filing of any such petition; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for Debtor or for a substantial part of its property; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceedings; or (v) make a general assignment for the benefit of creditors; or

(c) If an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking relief in respect to Debtor, or a substantial part of its property, under Title 11 of the United States Code or any other federal, state, or foreign bankruptcy, insolvency or similar law, and such proceeding or petition shall continue undismissed for 90 days.

In the event Debtor shall be in default under this Note, then, at the option of Payee, the entire unpaid principal balance of this Note, together with accrued interest thereon, may be declared, and thereupon immediately shall become, due and payable. While in default, such unpaid principal and interest shall bear interest at the rate of twelve percent (12%) per year. In the event of default, Payee shall be entitled to recover all the costs of collection of this Note, including reasonable attorney's fees and court costs.

This Note has been issued pursuant to an Acquisition Agreement, dated December 9, 1994, among Debtor, Payee and others (the "Acquisition Agreement"), which agreement is incorporated herein by this reference. Unless otherwise defined in this Note, capitalized terms used herein will have the meanings assigned to them in the Acquisition Agreement. Notwithstanding anything to the contrary contained in this Note, Debtor shall have the right to offset, against any and all amounts payable under this Note, any Indemnified Losses incurred or sustained by an Indemnitee in accordance with the indemnification and contribution provisions set forth in Section 9 of the Acquisition Agreement. To the extent of any such offset, the principal amount outstanding under this Note shall be reduced, and interest as stated herein shall accrue from the date of such offset only on the principal balance as so reduced.

Debtor waives presentment, protest, demand, and diligence in collection, and notice of protest, presentment, demand, dishonor and non-payment in connection with this Note. This Note is to be construed in accordance with the laws of the State of Florida.

THE DEBTOR HEREBY, AND THE PAYEE BY ITS ACCEPTANCE OF THIS NOTE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY OF THEM MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, ANY GUARANTEE SIGNED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (VERBAL OR WRITTEN) OR ACTION OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PAYEE MAKING THE LOAN EVIDENCED BY THIS NOTE.

IN WITNESS WHEREOF, Debtor has caused this Note to be executed in Wilmington, Delaware, on its behalf by its duly authorized officer on the day and year first above written.

INTERNATIONAL RECOVERY CORP.,

a Florida corporation

By: /s/ Jerrold Blair

Jerrold Blair, President

PROMISSORY NOTE

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\$1,605,000

January 3, 1995

INTERNATIONAL RECOVERY CORP., a Florida corporation (hereinafter referred to as "Debtor"), for value received, hereby promises to pay to the order of Stacey A. Polites (hereinafter referred to as "Payee"), the principal sum of \$1,605,000 which shall be payable in three (3) equal, annual installments of principal and interest, commencing on the first anniversary of the date of this Note, and continuing on the same day each year thereafter until this Note is paid in full. The principal amount outstanding shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the annual rate of nine percent (9%). Debtor may prepay this Note, in whole or in part, at any time and from time to time without fee, premium or penalty.

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(c) If an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking relief in respect to Debtor, or a substantial part of its property, under Title 11 of the United States Code or any other federal, state, or foreign bankruptcy, insolvency or similar law, and such proceeding or petition shall continue undismissed for 90 days.

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IN WITNESS WHEREOF, Debtor has caused this Note to be executed in Wilmington, Delaware, on its behalf by its duly authorized officer on the day and year first above written.

INTERNATIONAL RECOVERY CORP.,

a Florida corporation

By: /s/ Jerrold Blair

Jerrold Blair, President

Subsidiaries of the Registrant

ADVANCE PETROLEUM, INC., a Florida corporation(1)

ADVANCE AVIATION SERVICES, INC., a Florida corporation(3)

AIR TERMINALING, INC., a Florida corporation(3)

INTERNATIONAL PETROLEUM CORPORATION, a Florida corporation(2)

INTERNATIONAL PETROLEUM CORPORATION OF LA, a Louisiana corporation(2)

INTERNATIONAL PETROLEUM CORPORATION OF LAFAYETTE, a Louisiana corporation

INTERNATIONAL PETROLEUM CORP. OF MARYLAND, a Maryland corporation(2)

INTERNATIONAL PETROLEUM CORP. OF GEORGIA, a Georgia corporation(2)

INTERNATIONAL PETROLEUM CORP. OF DELAWARE, a Delaware corporation(2)

INTERNATIONAL PETROLEUM CORP. OF PENNSYLVANIA, a Pennsylvania corporation(3)

INTERNATIONAL ENVIRONMENTAL SERVICES, INC., a Florida corporation

RESOURCE RECOVERY OF AMERICA, INC., a Florida corporation(5)

RESOURCE RECOVERY MID SOUTH, INC., a Virginia corporation(3)(4)(5)

RESOURCE RECOVERY ATLANTIC, INC., a Delaware corporation(3)(4)(5)

WORLD FUEL SERVICES, INC., a Texas corporation

WORLD FUEL SERVICES LTD., a United Kingdom corporation

WORLD FUEL SERVICES (SINGAPORE) PTE., LTD. a Singapore corporation

CHEROKEE GROUP, INC., a Florida corporation(5)

TRANS-TEC SERVICES, INC., a Delaware Corporation

TRANS-TEC SERVICES (UK) Ltd., a United Kingdom Corporation

TRANS-TEC SERVICES (SINGAPORE) Pte. Ltd., a Singapore Corporation(6)

- (1) Advance Petroleum, Inc., operates under the name "World Fuel Services, of FL."
- (2) These corporations collect and purchase used oil under the name "International Oil Service."
- (3) Inactive
- (4) These corporations are subsidiaries of Resource Recovery of America, Inc.
- (5) These operations were discontinued by the Company in fiscal year 1993.
- (6) This corporation is a subsidiary of Trans-Tec Services (UK) LTD.

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

As independent certified public accountants, we hereby consent to the incorporation of our report included in this Form 10-K, into International Recovery Corp.'s previously filed Form S-3 Registration Statement File No. 33-57935.

ARTHUR ANDERSEN LLP

Miami, Florida,
May 26, 1995.

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM ITS MARCH 31, 1995 10-K AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

YEAR		
	MAR-31-1995	
	APR-01-1994	
	MAR-31-1995	
		10,907,000
		0
		43,366,000
		4,566,000
		3,714,000
		58,006,000
		21,264,000
		5,680,000
		89,536,000
	30,486,000	0
		52,000
	0	0
		52,014,000
89,536,000		361,891,000
		361,891,000
		334,134,000
		334,134,000
		0
		2,062,000
		263,000
		13,023,000
		4,935,000
	8,088,000	0
		0
		0
		8,088,000
		1.65
		1.65