

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF CAMDEN

AND

EMR ADVANCED RECYCLING, LLC

This Memorandum of Understanding (the "MOU") is entered into on 8/15/ 2025, ("Effective Date") between EMR Advanced Recycling, LLC, or its affiliated entities ("EMR") located at 201 North Front Street, Camden, New Jersey, and the City of Camden, a New Jersey Municipal Corporation (the "City"), located at 520 Market Street, Camden, NJ 08102; collectively, (the "Parties").

I. PURPOSE

This MOU serves the following purposes:

1. A description of the collective understanding between the parties regarding the impact of a fire that occurred on EMR property on February 21, 2025 (the "Fire").
2. Provides specific material and operational investments or changes that EMR agrees to undertake to their fire suppression systems, recycling procedures and operations, fire prevention training, and emergency response, to address the City's directive.
3. Outlines EMR's commitment to community engagement and compensation to rebuild trust and confidence in the safety of EMR's operations in Camden.

II. RECITALS

WHEREAS, On February 21, 2025, a large scale fire occurred at 1400 South Front Street, Camden, New Jersey ("Property"); a property owned or leased by EMR.

WHEREAS, in the process of successfully extinguishing the fire, the Camden City Fire Department ("CFD") along with mutual aid from eleven (11) Southern New Jersey Fire Agencies, expended significant resources to extinguish the blaze, mitigate environmental impacts, and overhaul the fire to prevent reignition.

WHEREAS, in the course of firefighting, the CFD suffered damages to approximately twenty-two thousand dollars (\$22,000) worth of firefighting equipment.

WHEREAS, to fund the cost of a state-of-the-art fire suppression system designed to prevent the conflagration of future fires on EMR property, EMR must cease operations and divest its property located at 1500 South Sixth Street in Camden.

WHEREAS, The City and EMR agree, that EMR make certain enhanced fire prevention measures to combat the proliferation of items containing lithium batteries and other combustible material that are illegally disposed of to provide fire prevention systems on EMR Property, limit the conflagration in case of a future fire, and protect the health and safety of employees, residents, government agencies, and businesses in the City and surrounding area.

WHEREAS, the Parties are desirable of greater community engagement with the residents of the City and, specifically, the Waterfront South Neighborhood to foster a climate of collaboration and transparency.

WHEREAS, it is expressly understood and agreed that the execution of this MOU by EMR is not an admission of liability for any fire that may have occurred on any property owned, leased, or operated by EMR at any time.

**III. RESPONSIBILITIES BETWEEN THE PARTIES CONCERNING FIRE AND
SUPPRESSION AND PREVENTION AND CONSOLIDATION**

EMR.

1. *Fire Suppression Systems.* At the City's direction, EMR hereby agrees to install a fire suppression system (the "System") designed to prevent hot spots from flashing into fires by rapidly extinguishing future fire events and reflash. The estimated cost for this System is Three Million Dollars (\$3,000,000). At a minimum, the System will include the following key attributes:

- a. Include an overhead fire suppression System including water towers with articulating water supply heads and related water supply measures;

- b. Include the deployment of monitored heat detection cameras around shredding piles to identify hot spots prior to ignition;
 - c. Be certified by a Fire Safety Engineer, certified by the National Fire Protection Association (NFPA) and the Division of Fire Safety within the New Jersey Department of Community Affairs, to meet all NFPA and New Jersey Regulatory fire prevention standards for the industrial activity on the EMR Property.
 - d. Be reviewed and approved by the Camden City Fire Chief.
 - e. Due to the importance and timeliness of the fire suppression system, the City shall issue construction permits for the fire suppression system and EMR may begin construction of the fire suppression system, while an application for site plan approval is pending with the City Planning Board. EMR will be required to post all applicable surety bonds and can perform the construction of the fire suppression system at its own risk that such work may have to be altered upon the approval of the site plan to be reviewed and approved by the City Planning Board.
2. *Fire Prevention Measures.* EMR agrees to the following measures to provide fire prevention on the EMR Property:
- a. Increase the frequency and detail of inspections of incoming materials to identify/remove fire risks.
 - b. Limit the height of shredding piles on the EMR Property to no more than fifty-three (53) feet, provided that the pile is within the range of the fire suppression System to be installed as part of this Agreement and is able to be monitored by EMR's video cameras.
 - c. If the shredder located at EMR's facility in the City's Waterfront South neighborhood (located in the area of Ferry and Atlantic Avenues and more particularly described on Exhibit A attached hereto) is not operating for three (3) business days, EMR will not receive and place any material waiting to be shredded in close proximity to existing materials awaiting shredding, until such time as the shredder begins operating again.

- d. Configure existing on-site water tank ($\approx$ 200 gallons) to provide connectivity for the Camden City Fire Department and other Fire Fighting Agencies that may respond via mutual aid. The estimated cost is not expected to exceed twenty-five thousand dollars (\$25,000).
3. *Fire Prevention and Emergency Training.* EMR agrees the following measures to help EMR limit the impact of any fire on the EMR Property the surrounding neighborhood, the remainder of the City and surrounding area:
 - a. EMR will participate in one City organized table-top emergency response exercise per year.
 - b. EMR will participate in no less than four (4) full scale fire drill(s) per year as directed by City Fire Department and Office of Emergency Management.
 - c. EMR will cooperate with the City to develop and adopt protocols to correct any deficiencies identified in the Final Report on the Fire.
4. *Reimbursement costs owed to the City.* To restore the material firefighting readiness of the Camden City Fire Department for City-owned equipment destroyed or expended in the Fire, EMR agrees to the following:
 - a. Reimburse the City for the cost of tires, hoses, a windshield and other damaged equipment sustained in the Fire. The estimated cost is not to exceed twenty-five thousand dollars (\$25,000).
 - b. Procure and donate a small/maneuverable fire apparatus (B.R.A.T. Deluge Truck) to CFD with concentrated spray to target high temperature fires from a low angle. The estimated cost should not exceed three hundred thousand dollars (\$300,000).
5. EMR will cease operations and vacating its property at 1500 South Sixth Street in Camden, and consolidate such operations at its facility on Ferry Avenue, resulting in the reduction of EMR's footprint of operations in the City by approximately nine (9) acres and the vacation of the entirety of EMR's entire operation along Sixth Street in Camden.
6. EMR will undertake the Community engagement set forth in Section IV of this Agreement.

7. EMR's obligations set forth in this Section III, paragraphs (1), (4.b.) and (5) shall commence upon the receipt of all necessary approvals for the projects identified in paragraphs (1) and (5) of this Section.
8. Should EMR be unable to cease operations, divest, and consolidate as described in paragraph (5) of this section due to inability to obtain approvals, EMR's obligations under Section III paragraphs (2), (3), and (4.a.) remain in effect.

City of Camden.

1. *Fire Suppression Systems.* The City's directive to have EMR provide a fire suppression System is essential to preventing large scale fires on EMR's facility. In order to facilitate EMR's System, the City will perform the following:
 - a. If requested, appropriate City Officials including, but not limited to, the Fire Chief, City Engineer, Emergency Management Officer, Construction Official, and Zoning Officer will provide recommendations or other advice concerning the type, capacity, installation requirements, zoning rules, or other questions concerning the System.
 - b. If requested, act as a liaison to State authorities or other agencies.
 - c. The City's Fire Chief will review the system specifications and render an opinion regarding approval within a reasonable timeframe not to exceed thirty (30) days.
2. *Fire Prevention and Emergency Training.* The City recognizes the need for interactive training with EMR to reduce the risk of small fire "blow ups" into large scale conflagrations Therefore, the City agrees to following:
 - a. The City will organize, schedule, and execute at least one table-top emergency response exercise per year.
 - b. The City will organize, schedule, and execute no less than four (4) full scale fire drill(s) per year as directed by City Fire Department and Office of Emergency Management.
 - c. If requested, appropriate City Officials including, but not limited to, the Fire Chief, City Engineer, Emergency Management Officer, Construction Official, and Zoning Officer will

provide recommendations or other advice to assist EMR in developing protocols to correct any deficiencies identified in the Final Report on the Fire.

- d. The City may include appropriate community leadership/stakeholders in the planning/emergency response process discussions.

IV. RESPONSIBILITIES BETWEEN THE PARTIES CONCERNING COMMUNITY

ENGAGEMENT

EMR.

EMR commits to an initial investment of \$1,000,000 to fund "essential needs" in the community and support primary care medical services to residents in the Waterfront South Neighborhood.

EMR Camden Community Benefits Fund. EMR Camden Community Benefits Fund ("The Fund") will be established by EMR to fund distributions (grants) recommended by the EMR Camden Community Benefits Agreement Committee, described in more detail below. The Fund initially will be administered by Community Foundation of South Jersey provided, however, that EMR reserves the right to remove Community Foundation of South Jersey as the administrator at any time by providing at least 90 days advance written notice to the City and to self-administer the Fund consistent with the provisions of this Agreement. Distributions from the Fund shall be prioritized for the benefit of the people of Waterfront South neighborhood in Camden, New Jersey, but may support other neighborhoods in the City. All distributions from the Fund shall be for charitable, medical, environmental, community improvements, educational, scientific, literary (including any combination of such purposes), and administrative purposes. The distributions shall be made directly by the Community Foundation of South Jersey. The EMR Camden Community Benefits Agreement Committee will submit recommendations for distributions (grants - minimum \$100). Distributions to individuals from the Fund are prohibited. Community Foundation of South Jersey will distribute funds in accordance with the guidelines established by the EMR Camden Community Benefits Agreement Committee (the "Committee").

1. *EMR Camden Community Benefits Agreement Committee.* This agreement establishes the Committee to make funding decisions for The Fund. The Committee members will be volunteer positions

and will not receive any compensation for their service on the Committee. They will be required to file a conflict-of-interest disclosure with the City. The Committee will develop an application for grants for charitable purposes, and those grants may be recommended to any 501(c)(3) organization or verified charitable entity located in the United States provided they benefit the City of Camden. Distributions from the Fund shall be prioritized for the benefit of the people of the Waterfront South neighborhood in Camden, New Jersey.

The Committee shall meet initially to work with Community Foundation of South Jersey to establish guidelines on how the grants will be disbursed by Community Foundation of South Jersey. Once the guidelines have been established the Committee shall meet bi-monthly to review disbursements made by Community Foundation of South Jersey . The Committee may modify meeting intervals as more or less frequent as needed.

Members of the Committee shall serve a term of 2-years and then be eligible to be reappointed. If a member is not able to serve a full 2-year term, the group appointing the member that leaves will fill the position for the remain portion of that term. A member of the Committee shall be eligible to serve up to 5 consecutive full terms.

The Committee shall be made up of 8 members as follows:

- EMR shall appoint four (4) Committee members, including the Committee Chair;
- The Mayor or a designee from the Mayor's office;
- The elected Council Member for Ward 1 within the City, or that Council Member's designee with approval of the City Council;
- 2 residents of the City nominated by the Mayor and confirmed via resolution of the City Council;

2. *Funding Formula.* Community Engagement will be funded as follows:

- a. EMR will make an initial donation of one million (\$1,000,000.00) to the Community Foundation of South Jersey, upon execution of this MOU.

b. EMR will make annual donations to the Community Foundation of South Jersey and other non-profit entities approved by the City in the aggregate amount of four hundred fifty thousand (\$450,000.00) per year.

i. EMR will make a donation to the Community Foundation of South Jersey to fund requests approved by the Committee within five (5) days of receipt of a request by the Committee. Such donations shall count toward the annual donation amount set forth in this paragraph 2.

3. *Other Community Engagement Actions.* EMR agrees to continue to pursue consolidation of its operations in Camden. This includes, but is not limited to the following:

- a. Ceasing operations and vacating EMR's property at 1500 South Sixth Street in Camden, and consolidate such operations at its Ferry Avenue facility, in a timely manner provided that it receives all approvals and permits required to relocate its operations to its property on Ferry Avenue.
- b. Upon receipt of all required approvals and permits, EMR agrees to install bio-diversity walls at its Ferry Avenue facility.
- c. Procure and maintain a text notification system to directly communicate with the community during emergencies.
- d. Conduct an annual "open house" for the community leaders to demonstrate EMR operations and allow visibility into EMR's fire and environmental risk reduction strategies.

CITY OF CAMDEN.

The City agrees to cooperate and support, subject to required reviews of independent planning/zoning boards, EMR efforts to consolidate operations on a smaller footprint resulting in the reduction of EMR's footprint of operations in the City by approximately nine (9) acres and the vacation of the entirety of EMR's entire operation along Sixth Street in Camden.

The City also agrees to support all grants submitted by EMR for State and Federal funding that support health, safety, welfare for residents and / or support environmentally friendly initiatives and / or technologies.

V. COMPLIANCE

The Parties' commitment to the terms of this MOU is reflected, in part, by the scope and cost of investments in infrastructure, employee time, and monetary commitments to the community. As an employer of many City residents and longtime business in the City of Camden, EMR is further committed to being a conscientious steward of the environment. Failure to meet the requirements of this MOU negates the purpose and intent of this MOU and the mutual promises made between the Parties. Therefore, the Parties mutually agree that failure to meet the requirements of any section of the MOU, including but not limited to the submission of required documentation, constitutes a material breach of this MOU.

1. *Compliance Reporting Requirements.* EMR agrees to provide an annual written report to the Mayor and Governing Body of the City due on the one (1) year anniversary of the effective date and each year thereafter. This report will contain, at a minimum, the following:
 - a. An overall assessment of EMRs compliance with this MOU.
 - b. Number of fire/emergency calls from EMR during the reporting period.
 - c. Status of fire suppression System installation.
 - d. The status of any Federal, State, or local government agency notice of violation of any fire safety or environmental compliance laws or regulations.
 - e. Status of community engagement to include the following:
 - i. Amount of funds donated.
 - ii. Status of any projects resulting from financial assistance.
 - iii. Plan and recommendations for the upcoming year.

EMR may include as an attachment or substitute information contained in any other Federal, State or local agency reporting requirements that duplicates reporting requirements listed in this

section. However, such information shall not be construed to be submitted in lieu of any reporting requirement not covered by other reports. The City sign an acknowledgement that it has received the report required by this paragraph.

2. *Public Meetings.* The City reserves the right to present the written report at a public meeting and EMR agrees to participate in any public meeting regarding compliance with this MOU. EMR attendance at any public meeting will include company officials with the necessary authority to speak on the record for EMR.

VI. DEFAULT & REMEDIES.

1. *Failure to Perform.* If EMR fails to perform under this MOU, the City shall be entitled to remedies available at law or in equity under the laws of the United States or State of New Jersey; provided that such remedies are limited to rights set forth in this MOU. The City of Camden shall provide EMR prior written notice of any failure to perform the obligations set forth in the above referenced sections. EMR shall have thirty (30) days, or such other longer period of time that is reasonable under the circumstances, to cure the failure. There are no third parties beneficiaries intended to be created by this MOU, and no third parties are intended or entitled to enforce this Agreement; including the provisions set forth in Article IV hereof.

2. *Notification of Possible Debarment.* By executing this MOU, EMR agrees that it has been notified that failure to comply with the requirements contained herein may lead to EMR's disqualification from bidding on and receiving any further contracts with the City.

VII. TERM AND CANCELTION

This MOU will become effective on the date the MOU is signed by all parties. It will remain in effect for a period of five (5) years from the effective date with a mutual option to renew for a period of up to five (5) years. Renewal shall require written notice no later than 60 days prior to the expiration of this MOU. Either Party may cancel this MOU with written notice and at least 60 days' notice.

VIII. MISCELLANEOUS PROVISIONS

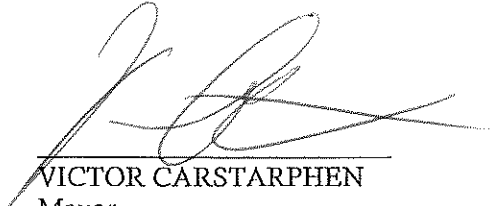
1. *Governing Law.* This Agreement shall be governed by the laws of the State of New Jersey.

2. Non-Discrimination. EMR affirms that it is an Equal Opportunity Employer. EMR will not discriminate in any employment or personnel practice against any employee or applicant on the basis of race, color, creed, religion, sex, national origin, sexual orientation, gender identity, disability or protected veteran status or any other status protected by law. EMR follows similar policies when working with the community at large.

3. Severability. If any provision or provisions of this MOU shall be held to be invalid, illegal, unenforceable or in conflict with the law of the State of New Jersey or the United States by a court of competent jurisdiction, that provision or those provisions shall be deemed to be null and void and shall be deemed severed from the MOU, and the validity, legality and enforceability of the remaining provisions of the MOU shall not in any way be affected or impaired thereby.

All Signatures on the following page

Signed, Sealed :
and Delivered in
the presence of :


VICTOR CARSTARPHEN
Mayor

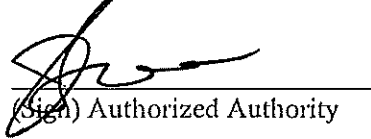
ATTEST:


LUIS PASTORIZA
Municipal Clerk

Approved as to form:


DANIEL S. BLACKBURN
CITY ATTORNEY

EMR Advanced Recycling, LLC


(Sign) Authorized Authority

JOSEPH BALZANO
Print Name

CEO
Title