

# ANNUAL REPORT

September 30, 2010

## Bio-Clean International, Inc.

(a Nevada Corporation)

TRADING SYMBOL: BCLE CUSIP NUMBER: 09057J 200

### ISSUER'S EQUITY SECURITIES:

Voting Common Stock, \$0.001 par value

Issued and Outstanding Common Shares: 191,871,351

### TRANSFER AGENT:

Continental Stock Transfer

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New York, NY 10004

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## BIO-CLEAN INTERNATIONAL, INC.

### Information required for compliance with the provisions of the Pink Sheets, LLC, Guidelines for Providing Adequate Current Information, (Version 9.7 – 7-22-2009)

Because we want to provide more meaningful and useful information, this Issuer Information Statement contains certain “forward-looking statements” (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). These statements reflect our current expectations regarding our possible future results of operations, performance, and achievements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, regulation of the Securities and Exchange Commission, and common law. Wherever possible, we have tried to identify these forward-looking statements by using words such as “anticipate,” “believe,” “estimate,” “expect,” “plan,” “intend,” and similar expressions. These statements reflect our current beliefs and are based on information currently available to us. Accordingly, these statements are subject to certain risks, uncertainties, and contingencies, which could cause our actual results, performance, or achievements to differ materially from those expressed in, or implied by, such statements. These risks, uncertainties and contingencies include, without limitation, the factors set forth under "Item 17. Management's Discussion and Analysis or Plan of Operation." We have no obligation to update or revise any such forward-looking statements that may be made to reflect events or circumstances after the date of this Annual Report.

## **Part A: General Company Information**

### **Item I: The exact name of the Issuer and its predecessor (if any).**

The exact name of the Issuer is Bio-Clean International, Inc. (the “Company”). The Company was previously called Green Energy Resources from November 2009 to May 27, 2010 when the name was reverted back to Bio Clean International, Inc. Prior to those events the predecessor name was Highland Holdings International, Inc. until October 31, 2007, at which time it changed its name to Bio-Clean International, Inc. The Company was initially incorporated under the laws of the State of Delaware on March 23, 1992 under the name Northern Medical, Inc. On October 30, 1992 the Company amended its Certificate of Incorporation to change its name to Normed Industries, Inc. On March 28, 1995 the Company amended its Certificate of Incorporation with a change of name to Highland Resources, Inc. and, on November 3, 1997, the Company amended its Certificate of Incorporation to change its name to Highland Holdings International, Inc. On or about July 25, 2002, the Company amended its Certificate of Incorporation to change its name to E Street Capital Services, Inc. On July 10, 2007, the Company amended its Certificate of Incorporation to revert to the name Highland Holdings, Inc. On July 25, 2007, the Company converted itself into a Nevada corporation. Other than listed above, the corporation has used no other names in the past five years.

### **Item II: The address of its principal executive offices.**

The principal executive offices of the Company are located at: 30021 Tomas Street #300 Rancho Santa Margarita, CA 92688. The telephone number is: 714-610-9347, the facsimile number is: 888-849-4875. The website address is: [www.biocleaninternational.com](http://www.biocleaninternational.com)

### **Item III: The jurisdiction(s) and date of the Issuer's incorporation or organization.**

The Company was initially incorporated under the laws of the State of Delaware on March 23 1992 under the name Northern Medical, Inc. and converted into a Nevada corporation on July 25, 2007. Reference is made to Item I, above, for more information regarding the historical name of the Company.

## **Part B: Share Structure**

### **Item IV: The exact title and class of each class of securities outstanding.**

The corporation has authorized two classes of securities, common stock and preferred stock:

Bio-Clean International, Inc. - common stock  
CUSIP- 09057J 200  
Trading Symbol – BCLE

Bio-Clean International, Inc. – preferred stock  
Non-trading

**Item V: The par or stated value and description of the security.**

A. The Par Value per share for each of the 500,000,000 shares of common stock authorized is \$0.001. The Par Value per share of the 20,000,000 shares of preferred stock is \$0.001.

B. 1. Each share of the Company's common stock has one (1) vote. There are no exceptional dividend, voting or preemptive rights attached to the common stock.

2. The Company's preferred stock has been designated into 6 classes, Series A, Series B, Series C, Series D, Series E and Series F. The Articles of Incorporation, as amended provide that the Board of Directors may establish the rights, preferences and privileges of the various series of preferred stock.

Series A consists of Five Million Shares. The Series A shares have no exceptional dividend rights. The Series A shares are convertible into common stock at the rate of 5 shares of common stock for each share of Series A Preferred Stock. The Series A Shares have no voting rights, except as granted by Nevada law. The Series A shares have preferential liquidation rights.

Series B consists of Ten Thousand Shares. The Series B shares have no exceptional dividend rights. The Series B Shares are convertible into that number of shares of common stock having an aggregate value of \$100.00 for each share of Series B Preferred Stock. The Series B Shares have no voting rights, except as granted by Nevada law. The Series B shares have preferential liquidation rights.

Series C consists of Five Million Shares. The Series C shares have no exceptional dividend rights. The Series C Shares are convertible into common stock at the rate of 5 shares of common stock for 1 share of Series C Preferred Stock. The Series C Shares have no voting rights.

Series D consists of Five Hundred Thousand Shares. The Series D shares have no exceptional dividend rights. The Series D Shares are convertible into that number of shares of common stock having an aggregate value of \$1.00 for each share of Series D Preferred Stock. The Series D Shares have no voting rights, except as granted by Nevada law. The Series D shares have preferential liquidation rights.

Series F consists of Fifty-One Thousand Shares. The Series F shares have no exceptional dividend rights. The Series F Shares are convertible into 100 shares of Common Stock for 1 share of Series F Preferred Stock. Holders of the Series F Preferred Stock and the holders of the common stock vote together, and not as separate classes, and the Series F Preferred Shares are counted on an "as converted" basis times 100. The Series F Preferred shares have preferential liquidation rights.

3. No other material rights exist for holders of either common or preferred stock.

4. There are no provisions in the Company's corporate charter or by-laws that would delay, defer or prevent a change in control of the Company.

**Item VI: The number of shares or total amount of the securities outstanding for each class of securities authorized.**

- a. **Period end date.**
- b. **Number of shares authorized.**
- c. **Number of shares outstanding.**
- d. **Freely tradable shares (public float).**
- e. **Total number of shareholders of record.**

**A. Common Stock**

As of the quarter ended September 30, 2010, the Company had common shares outstanding as follows:

500,000,000 common shares authorized  
191,871,351 common shares issued and outstanding  
Approximately 49,125,845 freely tradeable shares  
There were a total of approximately 200 shareholders of record

As of the quarter ended September 30, 2009, the Company had common shares outstanding as follows:

500,000,000 common shares authorized  
103,471,351 common shares issued and outstanding  
49,125,845 freely tradeable shares  
There were a total of approximately 199 shareholders of record

**B. Preferred Stock**

As of the quarter ended September 30, 2010, the Company had preferred shares outstanding as follows:

Series A - 5,000,000 shares authorized  
-0- shares outstanding  
Series B – 10,000 shares authorized  
-0- shares outstanding  
Series C – 5,000,000 shares authorized  
-0- shares outstanding  
Series D – 500,000 shares authorized  
400,000 shares outstanding  
Series F – 51,000 shares authorized  
51,000 shares outstanding

As of the quarter ended September 30, 2009, the Company had preferred shares outstanding as follows:

Series A - 5,000,000 shares authorized

420,000 shares outstanding

Series B – 10,000 shares authorized

-0- shares outstanding

Series C – 5,000,000 shares authorized

-0- shares outstanding

Series D – 500,000 shares authorized

400,000 shares outstanding

### **Part C: Business Information**

#### **Item VII: The name and address of the transfer agent.**

The Company's transfer agent is Continental Stock Transfer, 17 Battery Place, New York, NY 10004. Tel: 212.509.4000, Fax: 212.509.5150, E-Mail – [cstmail@continentalstock.com](mailto:cstmail@continentalstock.com). Continental Stock Transfer is registered under Section 17A of the Securities Exchange Act of 1934 and its ARA is the Securities and Exchange Commission.

#### **Item VIII: The nature of the issuer's business.**

##### **A. Business Development (Past Three Years)**

###### **1. The form of the organization of the issuer;**

Bio-Clean International, Inc. is a Nevada corporation.

###### **2. The year the issuer (or any predecessor) was organized;**

The issuer was organized under the laws of the State of Delaware on March 23, 1992.

###### **3. The Issuer's fiscal year end date;**

The issuer's fiscal year end date is April 30.

###### **4. Whether the issuer (and/or any predecessor) has been in bankruptcy, receivership, or any similar proceeding;**

Neither the Issuer nor any predecessor has been in bankruptcy, receivership or any similar proceeding.

###### **5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business;**

The issuer has not effectuated a reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business, except as follows: On October 31, 2007 the Company effectuated a recapitalization of the Company by means of 1-for-40 reverse split of the Company's issued and outstanding common stock. In December 2007 we completed a transaction whereby we acquired a minority (9%) ownership interest in American Bio-Clean Corporation and a majority (80%) ownership interest in American Bio-Tech Cleaning, Inc. The Company issued 190,000,000 shares of its restricted common stock in favor of TRAC Investments, Inc., an entity controlled by James E. Shipley, who subsequent to the transaction became the Chairman of the Board, President and CEO of the Company, for the acquisition of the majority interest in American Bio-Tech Cleaning, Inc. It also issued an aggregate of 2,000,000 shares of its restricted common stock to the sellers of the minority interest in American Bio-Clean Corporation, 1,000,000 shares of which were issued to John P. Finn, who subsequently became a director of the Company and its Secretary and Chief Financial Officer. In November, 2008, the Company acquired an additional 30% of the Common Stock of American Bio-Clean Corporation in exchange for a note payable of \$240,000. On February 1, 2009, the Company finalized the acquisition of an additional 2% of the Common Stock of American Bio-Clean Corporation in exchange for 20,000 shares of the Company's unregistered restricted stock, bringing its total ownership to 41%. In June 2008 the Company effectuated a reverse stock split of its common stock at 1 share for 25. In 2010 the Company divested itself of its interests in American Bio-Clean Corporation and American Bio-Tech Cleaning, Inc. by way of a Settlement Agreement and Mutual Release ("Agreement") executed on April 17, 2010 and an outright sale of its interest in American Bio-Tech Cleaning, Inc. . See Item XVII: Management's Discussion and Analysis or Plan of Operation.

**6. Any default of the terms of any note, loan, lease, or other indebtedness or other indebtedness or financing arrangement requiring the issuer to make payments.**

The issuer is not in default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments.

**7. Any change of control.**

On February 17, 2010 the Company's board announced new officers and directors had assumed their positions following the divestiture of the ABC and ABT assets. The previous board resigned with James E. Shipley tendering his resignation on February 17, 2010. Michael Roth accepted the Positions of Director, President and Chief Executive Officer; Lewis Kurtz accepted the positions of Director and Secretary; and Harry Jose accepted the positions of Director and CFO. In December 2007, there was a change of control of the Company when the Company acquired American Bio-Tech Cleaning, Inc. in exchange for our common stock. By reason of that transaction James E. Shipley became Chairman of the Board, President and Chief Executive Officer of the Company on January 4, 2008.

**8. Any increase of 10% or more of the same class of outstanding equity securities.**

Reference is made to subparagraph 5 of this Item V-A, above, for actions that occurred in December 2007 causing an increase of 10% or more of the same class of outstanding equity securities.

**9. Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;**

Reference is made to subparagraphs 5 and 7 of this Item V-A, above, for actions that occurred on October 31, 2007 resulting in the reorganization of the Company and December 2007 when the Company acquired its interests in American Bio-Clean Corporation and American Bio-Tech Cleaning, Inc. and in April, 2010 when it divested itself of its interests in American Bio-Clean Corporation. At the present time, the Company does not anticipate that it will effectuate a future stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization.

**10. Any delisting of the issuer's securities by any securities exchange or NASDAQ**

The issuer's securities have not been delisted by any securities exchange or NASDAQ. On September 18, 2002, the Company, then known as Highland Holdings, International, Inc. was deleted from the OTC Bulletin Board due to the Company's failure to remain compliant with SEC reporting requirements. On June 15, 2007, the Company filed a Form 15 - Certification and Notice of Suspension of Duty to File Reports under Sections 13 and 15(d) of the Securities Exchange Act of 1934.

**11. Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.**

There are no current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition or operations. There are also no current, past or pending trading suspensions by a securities regulator.

**B. Business of the Issuer**

**1. The issuer's primary and secondary SIC codes.**

Primary – 562910 Secondary – 236220

**2. Whether the issuer has never conducted operations, is in the development stage or is currently conducting operations.**

The issuer is currently conducting operations.

**3. Whether the issuer is considered a “shell company” pursuant to Securities Act Rule 405.**

The issuer is not a “shell company”.

**4. The names of any parent, subsidiary, or affiliate of the issuer, and describe its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure document.**

We have one subsidiary, Bio Clean Energy, formerly known as Nipatech, Inc.

**5. The effect of existing or probable governmental regulations on the business.**

Our cleaning fluids are non-toxic, environmentally “green” products. Government regulations prohibit the use of many potential competitive products. Various government and quasi government agencies, in various regions of the World, have approved our products for use in those countries/regions. We do not anticipate any probable government regulations that would have a negative effect on our business.

**6. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and if applicable, the extent to which the cost of such activities are borne directly by customers.**

Not applicable.

**7. Costs and effects of compliance with environmental laws (federal, state and local).**

Reference is made to subparagraph 5 of this item V-B, above, for the effect of environmental laws.

**8. Total number of employees and number of full time employees.**

The Company currently has 3 full time employees including the officers and directors.

**Item IX: The nature of products or services offered.**

**A. Principal products or services, and their markets;**

The Company’s primary focus is the sale of environmentally-friendly cleaning fluids to alternative energy solutions and bio technology. In addition, the company is actively seeking joint venture partners for additional revenue.

**B. Distribution methods of the products or services;**

Our subsidiary Bio-Clean Energy, formerly known as Nipatech Energy, Inc., a unit of Nipatech, Inc., a Philippines-based corporation, designs and manufactures specialized, ethanol



production equipment. Bio-Clean Energy will provide sales and marketing services under a license agreement with Nipatech Inc. This ethanol production system is unique in that enables local farmers to grow and process sugar cane into alcohol, which is then sold to refineries which use it to produce a gasoline-ethanol fuel similar to the E-10 fuel widely used in motor vehicles in the United States. This unique approach converts local farmers into entrepreneurs and creates a low-cost, eco-friendly fuel which, in turn, provides global environmental benefits. Currently Bio-Clean Energy is searching for funding in order to continue operations and production. Announcements regarding these joint ventures are being released in simultaneous press releases with the filing of this Information Statement.

**C. Status of any publicly announced new product or service;**

No such announcements.

**D. Competitive business conditions, the issuer's competitive position in the industry, and methods of competition;**

There are a number of competitors in an emerging market in which the Company is in its infancy.

**E. Sources and availability of raw materials and the names of principal suppliers;**

N/A

**F. Dependence on one or a few major customers;**

None

**G. Patents, trademarks, licenses, franchises, concessions, royalty agreements, or labor contracts, including their duration;**

None

**H. The need for government approval of principal products or services and the status of any requested government approvals.**

None at this time

**Item X: The nature and extent of the issuer's facilities.**

The Company's corporate offices are currently located in Rancho Santa Margarita, California. The current lease for the Company's office space is on a month-to month basis.

**Part D: Management Structure and Financial Information**

**Item XI: The name of the chief executive officer, members of the board of**

**directors, as well as control persons.**

**A. Officers and Directors and Control Persons. Provide the full names, business addresses, employment histories (for the past 10 years), positions held, responsibilities and employment dates, board memberships, other affiliations, compensation and number of securities (specify each class) beneficially owned by each person as of the date of this information statement.**

During the past two fiscal years, no compensation has been paid to any of the following officers or directors.

**Executive Officers and Directors**

<b>Name</b>	<b>Position</b>	<b>Other Affiliations</b>	<b>Shares</b>
Michael Roth	C.E.O., President, Chairman	None	51,000*
Lewis Kurtz	CFO, Director	None	None
Harry Jose	Secretary, Director	None	None

Mr. Roth holds 51,000 shares of the Company's Series F Preferred Stock, which is 100% of that class.

**Control Person (shareholders holding more than 10% of any class)**

Common Stock-None as of this date.

Series D Convertible Preferred: Of the 400,000 shares issued and outstanding Lawrence P. Wagner owns 200,000 shares and John Peery owns 200,000 shares.

Series F Convertible Preferred: Of the 51,000 shares issued and outstanding Michael Roth owns 51,000 shares.

**Michael Roth: C.E.O., President, Chairman**

**Michael Roth** is the C.E.O., President, and Chairman of the Board of Directors of Bio-Clean International, Inc. Mr. Roth has been involved in the Securities Industry for more than 10 years as an officer, director and as a compliance consultant. Prior to that he spent another 15 years in the mortgage industry in various capacities from loan originations to collections to wholesale lending. In 1999 he formed e-Net .com corporation, and served as President & CEO until merging with American Mortgage before opening Securities Compliance Control LLC 2000, which he still owns and manages.

**Lewis Kurtz: CFO, Director**

**Lewis Kurtz** is the CFO and a director of of Bio-Clean International, Inc. A summary of Mr. Kurtz's qualifications follows:

## EMPLOYMENT HISTORY

Controller, Treasurer- Caesar's Palace; President- Nevada Hotel Accountant's Association; CFO- Everlast Filtration, public company; Executive Vice-President- King's Castle and Bonanza; Vice-President of Operations- Tenny Corporation, public company; Self-employed owner- L.G. Kurtz Associates (25 years). Ten years accounting firm- Pannel, Kerr, Forster (formerly Harris, Kerr, Forster).

## DUTIES and EXPERIENCE

Prepare Business Plans  
Arrange Financing- Private and Public Companies  
Assist, Evaluate, Prepare, All Financial Data and Transactions  
Prepare and Revue 10K, 10Q, etc. for SEC Filing  
Evaluate Private Placement, Memorandums, Prepare Companies for Merger, Acquisition or Sale.

The scope of Mr. Kurtz' experience includes real estate companies, manufacturing companies, gaming and casino companies, hotel and restaurant companies, etc.

## PERSONAL DATA

Graduated Temple University - B.S. Accounting, Held Real Estate License (New York), Held Stockbrokers License (Series Seven), President Nevada Hotel Accountants Association - two years, Instructor - University of Nevada (Las Vegas).

### **Harry Jose: Secretary, Director**

**Harry Jose** is the Secretary and a director of Bio-Clean International, Inc. A summary of Mr. Jose's qualifications follows:

#### **Skills**

- Proficient in Excel, Word, Outlook, and all MS Office Products
- Typing of 50-55 WPM
- Ability to Multitask Efficiently
- Quick learner with attention to detail
- Bilingual in English and Spanish

#### **Work experience**

2005-2009                      CDJP Holdings Corp    Canyon Country, CA

#### **Self Employed**

- Financial adviser/broker to start up small cap/mid cap

companies

- Helped raise over \$5 Million for several start up companies.
- Helped in taking companies public.

2000-2005                      TBFM Inc.                      Chatsworth, CA

**Office Manager**

- Ran day to day operations of office.
- In charge of banking and deposits for the office.
- Ran month end sales report to present to producers.

1999-2000                      Sun America

Woodland Hills, CA

**Customer Service Representative**

- Customer Service Rep taking phone calls in a financial call center.
- Helped Customers with all types of needs regarding their policies.
- Prepared documents to be mailed to clients.
- Trained new CSR's in policy and procedures for company.

1996-1999                      Cox Communications                      Santa

Barbara, CA

**Customer Service Representative**

- Customer Service Rep taking phone calls in a cable call center.
- Helped Customers with all types of cable television needs.
- #1 Sales Volume leader for 18 straight months.
- Trained new CSR's in policy and procedures for company.

**B. Legal/Disciplinary History. Identify whether any of the foregoing persons have in the last five years, been the subject of:**

**1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);**

None of the foregoing persons have been the subject of a conviction in a criminal

proceeding or named as a defendant in a pending criminal proceeding.

**2. The entry of an order, judgment, or decree not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such a person's involvement in any type of business, securities, commodities, or banking activities;**

None of the foregoing persons have been the subject of any order, judgment, or decree, that permanently or temporarily enjoined, barred, suspended or otherwise limited such a person's involvement in any type of business, securities, commodities, or banking activities

**3. A finding or judgment by a court of competent jurisdiction (in a civil action), the SEC, the CFTC, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated;**

None of the foregoing persons have been the subject of any finding or judgment by a court of competent jurisdiction (in a civil action), the SEC, the CFTC, or a state securities regulator of a violation of federal or state securities or commodities law.

**4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.**

None of the foregoing persons have been the subject of any order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

**C. Disclosure of Family Relationships. Describe any family relationships existing among and between the Issuer's officers, directors, persons chosen or nominated by the Issuer to become directors or officers, or beneficial owners of more than five percent (5%) of any class of the Issuer's equity securities.**

The Issuer is unaware of any such family relationships.

**D. Disclosure of Related Party Transactions. Describe any transaction during the Issuer's past two full fiscal years and the current fiscal year, or any currently proposed transaction, involving the Issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the Issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest.**

The Issuer is unaware of any such related party transactions except for loans made to the Company by its officers and/or directors in the ordinary course of business and which are disclosed in our financial statements.

**E. Disclosure of Conflicts of Interest. Describe any related party transactions or conflicts of interests. Provide a description of the circumstances, parties involved and mitigating factors for any related party transactions or executive officer or director with competing professional or personal interests.**

The Company is unaware of any conflicts of interest that may exist by and among the Company, its officers and directors.

**Item XII. Financial Information for the Issuer's most current fiscal period.**

The unaudited financial statements of the Company for the fiscal year ended April 30, 2010 and the quarters ended June 30, 2010 and September 30, 2010 will be submitted under separate cover as a further part of Exhibit 12.1 hereto and will then be incorporated by reference. Please see the Table of Exhibits under Part E of this annual Report for additional information concerning these financial statements and those in Item XIII.

**Item XIII. Similar Financial Information for such part of the two preceding fiscal years as the Issuer or its predecessor has been in business.**

The unaudited financial statements of the Company for the fiscal years ended April 30, 2008 and 2009 are attached hereto as as Exhibit 13.1 and are incorporated by reference.

**Item XIV: Beneficial Owners. To the extent not otherwise disclosed in response to the foregoing, provide a list of the names, addresses and shareholdings of all persons holding more than five percent (5%) of any class of the issuer's equity securities.**

All such shareholders are disclosed above.

**To the extent not otherwise disclosed, if any of the above shareholders are corporate shareholders, provide the disclosure as to person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.**

There is no information regarding the person(s) owning or controlling such corporate shareholders that has not previously been disclosed.

**Item XV: The name of any outside providers that advise the issuer on matters relating to the operations, business development and disclosure. The information should include the advisor(s) name, address, telephone and email address.**

**1. Investment Banker**

None

**2. Promoters;**

None

**3. Counsel;**

Robert J. Huston III, ESQ., P.O. Box 235, Corona del Mar, CA 92625; Tel and Fax: (949) 719-0565; e-mail: [bob\\_huston@yahoo.com](mailto:bob_huston@yahoo.com)

**4. Accountants or Auditor; clearly describe if an outside accountant provides audit or review services;**

None.

**5. Public Relations Consultant(s);**

None

**6. Investor Relations Consultant;**

None

**7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure documentation.**

None

**Item XVI: Management's Discussion and Analysis or Plan of Operation.**

**A. Plan of Operation**

The Company transferred its interests in two operating entities, American Bio-Clean Corporation and American Bio-Tech Cleaning in 2010. On January 25, 2010 the Company sold its interest in American Bio-Tech Cleaning, Inc. in exchange for One Hundred Thousand (100,000) shares of Series I Preferred Stock of ACT Clean Technologies, Inc., which is convertible into One Million Dollars (\$1,000,000) of ACT Common Stock. This agreement is marked below as exhibit 14.1. A Settlement Agreement and Mutual Release ("Agreement") was executed as of April 17, 2010 by and between Bio-Clean International, Inc., a Nevada corporation and others, on the one hand (hereinafter "Parties of the First Part"), and John P. Finn ("Finn"), Tammy D. Dunn, Donald Wantz ("Wantz") and American Bio-clean Corporation, a Nevada corporation, on the other hand. This agreement is marked below as exhibit 14.2.

**GOING FORWARD**

During the reporting period, the company has entered into negotiations with several companies to joint venture to provide additional revenue for the company. No new information is available at this time.

In addition Bio-Clean Energy, its subsidiary acquired all of the capital stock of Nipatech Energy, Inc., a California-based company, which is involved in the development of ethanol production facilities in the Philippines. Nipatech Energy, Inc. is currently a unit of Nipatech, Inc., a Nevada corporation, that holds a controlling interest in Nipatech Energy, Inc. a Zamboanga, Philippines-based corporation, which designs and manufactures specialized, ethanol production equipment and also utilizes it for its own production of

ethanol for sale in the Philippines. Nipatech Energy of California currently provides sales and marketing services under a license agreement with the Philippine-based Nipatech Energy Inc. Nipatech Energy, Inc., the California corporation being acquired by Bio-Clean Energy, will continue to do so when, following closing of the transaction which became owned by Bio-Clean Energy Inc., subsidiary of Bio-Clean International. The Nipatech method and equipment for ethanol production systems is unique in that it enables local farmers to process both finished goods and waste products into ethanol at a lower cost per unit than previously possible. The ethanol is then denatured with gasoline and sold to refineries which use it to produce a gasoline-ethanol fuel similar to the E-85 fuel widely used in motor vehicles in the United States. In addition, such producing farmers involved in ethanol production may be entitled to special tax exemptions and rebates on all of their agricultural production. This unique approach creates community based entrepreneurs and provides a low-cost, eco-friendly fuel which, in turn, provides global environmental benefits.

**B. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

Not applicable.

**C. Off-Balance Sheet Arrangements.**

Presently, the Company has no off-balance sheet arrangements.

**Part E: Issuance History**

**Item XVII: List of securities offerings and shares issued for services in the past two years.**

In the fiscal year ended April 2009, we issued restricted stock for services to our officers as follows: 10,000,000 shares of common stock and 400,000 shares of Series D Preferred Stock to our President, James E. Shipley; 5,600,000 shares of common stock to our Secretary, John P. Finn; 2,000,000 shares of common stock to our COO, Tammy D. Dunn; 2,000,000 shares of common stock to the President of our subsidiary, American Bio-Tech Cleaning, Inc., René E. Ponce; and 1,000,000 shares of common stock to the President (now retired) of our subsidiary, American Bio-Clean Corporation, Donald E. Wantz. In the same fiscal year, we issued 12,700,000 shares of restricted stock for services to outside, non-affiliates for business administration consulting services, Public Relations services and Investor Relation services. There have been no such offerings or shares issued in the fiscal year ended April, 2010 or thereafter.

**Part F: Exhibits**

**Item XVIII Material Contracts.**

None.



## **Item XIX: Articles of Incorporation and Bylaws.**

The Certificate of Conversion (Delaware), Articles of Conversion (Nevada), Articles of Incorporation (Nevada) and Bylaws of the Company were included in the Initial Information Disclosure filed with the Pink Sheets LLC on February 22, 2008 as Exhibits 19.1, 19.2, 19.3 and 19.4, respectively. Subsequent Amendments to the Articles of Incorporation are included as Exhibits 19.5, 19.6 and 19.7 to the Annual Report April 30, 2009 filed with the Pink Sheets LLC. There have been no subsequent amendments to the Articles of Incorporation or the Bylaws of the Company.

### **Table of Exhibits**

<b><u>Exhibit No.</u></b>	<b><u>Description of Exhibit</u></b>
12.1	The unaudited Consolidated Balance Sheet as of April 30, 2009 and related Consolidated Statement of Operations, Consolidated Statements of Cash Flows and Consolidated Statement of Stockholders Equity for the fiscal year ended April 30, 2010 ( to be provided ).
13.1	The unaudited Consolidated Balance Sheet as of April 30, 2008 and related Consolidated Statement of Operations, Consolidated Statements of Cash Flows and Consolidated Statement of Stockholders Equity for the fiscal year ended April 30, 2009.
14.1	Purchase Agreement, dated January 25, 2010, between the Company and ACT Clean Technologies for the sale of the Company's interest in American Bio-Tech Cleaning, Inc.
14.2	Settlement Agreement and Mutual Release, dated April 17, 2010 wherein the Company divested itself of its interest in American Bio-clean Corporation.

## **Item XX: Issuer's Certifications.**

I, Michael Roth, Chief Executive Officer of Bio-Clean International, Inc., hereby certify that:

1. I have reviewed this annual statement of Bio-Clean International, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material

respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this disclosure statement.

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MICHAEL ROTH

**EXHIBIT 13.1**

**BIO-CLEAN INTERNATIONAL, INC.  
5412 BOLSA AVE.  
SUITE D  
HUNTINGTON BEACH, CA 92649  
TELEPHONE 714-373-1990 FAX 714-373-1991**

August 24, 2009

The Board of Directors  
Bio-Clean International, Inc.

**This Compilation Letter is for the unaudited Consolidated Balance Sheet, Consolidated Statement of Operations, Consolidated Statement of Cash Flows, Consolidated Statement of Stockholders' Equity, and Notes to Consolidated Financial Statements.**

The Company has compiled the accompanying information of Bio-Clean International, Inc., and its subsidiaries, American Bio-Clean Corporation, and American Bio-Tech Cleaning, Inc., as of April 30, 2009 and the related Statements of Operations, Cash Flow and Stockholders' Equity for the Periods ended April 30, 2008 and April 30, 2009.

The compilation has not been audited or reviewed and is limited to presenting in the form of financial statements information that is the best efforts representation of management.

**Bio-Clean International, Inc.**  
**(Formerly Highland Holdings International, Inc.)**  
**Consolidated Balance Sheets (Unaudited)**

	April 30, 2009	April 30, 2008
<b>Assets</b>		
Current Assets		
Cash	\$ 18,456	\$ 5,559
Accounts Receivable	93,000	25,000
Inventory and Work In Progress	155,376	305,376
Total Current Assets	266,832	335,935
Property, Plant and Equipment (Net of accumulated depreciation of \$27,338 and \$70,245 respectively)	171,392	239,299
Other Assets	35,000	35,000
Goodwill	-	263,110
Investment in Subsidiaries	3,464,934	2,873,900
Total Assets	\$ 3,938,158	\$ 3,747,243
<b>Liabilities and Stockholders' Equity</b>		
Current Liabilities		
Accounts Payable	\$ 18,620	\$ 2,800
Notes Payable	905,000	335,000
Total Current Liabilities	923,620	337,800
Commitment and Contingencies	-	-
Minority interest	(63,881)	(6,101)
<b>Stockholders' Equity</b>		
Preferred Stock		
Series A- Authorized 5,000,000 shares par value \$.001; issued and outstanding 420,000 and 1,953,200, respectively	420	1,953
Series B- Authorized 10,000 shares par value \$.001: issued and outstanding - none	-	-
Series C-Authorized 5,000,000 par value \$.001; issued and outstanding - none	-	-
Series D-Authorized 500,000 shares, par value \$.001 issued and outstanding 400,000	400	-
Preferred Stock Series A to be issued-3,000,000 shares at par value of \$.001	-	3,000
Common Stock-Authorized 500,000,000 shares; par value \$.001; issued and outstanding 60,471,351 and 237,492,540, respectively	60,472	237,493
Additional paid in capital	8,489,925	7,627,527
Accumulated Earnings (Deficit)	(5,472,798)	(4,454,430)
Total Stockholders' Equity	3,078,419	3,415,544
Total Liabilities and Stockholders' Equity	\$ 3,938,158	\$ 3,747,243

The accompanying notes are an integral part of these unaudited consolidated financial statements

**Bio-Clean International, Inc.**  
**(Formerly Highland Holdings International, Inc.)**  
**Consolidated Statements of Operations (Unaudited)**

	<b>For the year ended</b>	
	<b>April 30, 2009</b>	<b>April 30, 2008</b>
Revenue		
Sales	\$ 127,371	\$ 150,410
Less: Cost of Sales	(12,737)	(111,510)
Gross Margin Profit	114,634	38,900
Expenses		
Depreciation	42,907	27,338
Impairment of goodwill	263,110	-
Shares issued to third parties for services	281,200	-
Shares issued to an officer for services	400,000	-
General and Administrative	180,000	70,567
Total Expenses	1,167,217	97,905
Other income (expense)		
Interest expense	(29,667)	(2,000)
Income (loss) from continuing operations before minority interest	(1,082,250)	(61,005)
Less: loss in subsidiaries relating to minority interest	(63,881)	(6,101)
Net Income (loss)	\$ (1,018,369)	\$ (54,905)
Income (loss) per share (basic and fully diluted)	\$ (0.0168)	\$ (0.0002)
Number of shares outstanding	60,471,351	237,492,540

The accompanying notes are an integral part of these unaudited consolidated financial statements

**Bio-Clean International, Inc. and Subsidiaries**  
**Consolidated Statement of Cash flows**  
**(UNAUDITED)**

	<b>For the year ended</b>	
	<b>April 30, 2009</b>	<b>April 30, 2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (1,018,369)	\$ (54,905)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debts		
Depreciation and amortization	67,907	27,338
Impairment of goodwill	263,110	-
Minority interest	(263,771)	115,786
Issuance of shares to third parties for services	281,200	-
Issuance of shares to an officer for services	400,000	45,000
(Increase) decrease in current assets:		
Receivables	(68,000)	(25,000)
Inventory	150,000	(105,376)
Increase (decrease) in current liabilities:		
Accounts payable	15,820	2,651
Net cash used in operating activities	(172,103)	5,495
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from third parties for sale of shares	185,000	-
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	12,897	5,495
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING BALANCE</b>	5,559	64
<b>CASH &amp; CASH EQUIVALENTS, ENDING BALANCE</b>	\$ 18,456	\$ 5,559
<b>Supplemental disclosure of non-cash financing activities:</b>		
Issuance of note payable for investment in subsidiaries	\$ 570,000	\$ -
Issuance of preferred stock for services	\$ 1,533	\$ -
Issuance of common stock for investment in subsidiaries	\$ 620,501	\$ 2,880,000

The accompanying notes are an integral part of these unaudited consolidated financial statements

**Bio-Clean International, Inc.**  
**(Formerly Highland Holdings International, Inc.)**  
**Statement of Consolidated Stockholders' Equity (Unaudited)**

	Common Stock		Preferred Stock-Series A		Preferred Shares-Series A To Be Issued		Preferred Stock-Series D		Additional	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid-In	Deficit	Equity
									Capital		
Balance, April 30, 2007	31,891,160	\$31,891	1,953,200	\$1,953	-	\$ -	-	\$ -	\$4,956,129	\$ (4,399,525)	\$ 590,448
Reverse Stock Split, October 31, 2007	(31,398,620)	(31,398)	-	-	-	-	-	-	31,398	-	-
Preferred shares to be issued	-	-	-	-	3,000,000	3,000	-	-	(3,000)	-	-
Shares issued for services	45,000,000	45,000	-	-	-	-	-	-	(45,000)	-	-
Shares issued for Subsidiary, December 1, 2007 (ABC - 9%)	2,000,000	2,000	-	-	-	-	-	-	28,000	-	30,000
Shares issued for Subsidiary, December 1, 2007 (ABT - 80%)	190,000,000	190,000	-	-	-	-	-	-	2,660,000	-	2,850,000
Net Loss	-	-	-	-	-	-	-	-	-	(54,905)	(54,905)
Balance, April 30, 2008	237,492,540	\$ 237,493	1,953,200	\$ 1,953	3,000,000	\$ 3,000	-	\$ -	\$ 7,627,527	\$ (4,454,430)	\$ 3,415,544
Recapitalization - Reverse Stock Split 25:1	(228,089,764)	(228,090)	-	-	-	-	-	-	228,090	-	-
Balance after Recapitalization	9,402,776	\$ 9,403	1,953,200	\$ 1,953	3,000,000	\$ 3,000	-	\$ -	\$ 7,855,617	\$ (4,454,430)	\$ 3,415,544
Preferred Series A issued			3,050,000	3,050	(3,000,000)	(3,000)	-	-	-	-	50
Preferred Series A converted to Common Stock	22,900,000	22,900	(4,580,000)	(4,580)	-	-	-	-	(18,320)	-	-
Rounding Adjustment	48,575	49	(3,200)	(3)	-	-	-	-	(52)	-	(6)
Preferred Series D issued to officer for services	-	-	-	-	-	-	400,000	400	399,600	-	400,000
Shares issued to third parties for cash and services	28,120,000	28,120	-	-	-	-	-	-	253,080	-	281,200
Net Loss	-	-	-	-	-	-	-	-	-	(1,018,369)	(1,018,369)
Balance, April 30, 2009	<u>60,471,351</u>	<u>\$ 60,472</u>	<u>420,000</u>	<u>\$ 420</u>	<u>\$ -</u>	<u>\$ -</u>	<u>400,000</u>	<u>\$ 400</u>	<u>\$ 8,489,925</u>	<u>\$ (5,472,798)</u>	<u>\$ 3,078,419</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements



Bio-Clean International, Inc.

(Formerly Highland Holdings International, Inc.)

Notes to Consolidated Financial Statements (Unaudited)

April 30, 2009

1. GENERAL

Basis of Presentation - The unaudited financial statements at April 30, 2009 include the accounts of Bio-Clean International, Inc. (the "Company") and its subsidiaries American Bio-Clean Corporation (41%) and American Bio-Tech Cleaning, Inc. (80%). American Bio-Clean distributes cleaning equipment and cleaning solutions to the U.S. Government and certain businesses who have needs for environmental friendly cleaning process for heavy equipment, airplanes and other cleaning operations. American Bio-Tech Cleaning, Inc. is the manufacturer and formulator of such products. Operating results are consolidated consistent with the acquisition date of December 1, 2007.

The Company uses the accrual method of accounting for both financial and tax reporting purposes. The Company's year-end is April 30.

Organization and nature of operations - Effective October 31, 2007, Highland Holdings International, Inc. changed its name to Bio-Clean International, Inc. and approved a reverse stock split of 1 share for each 40 shares held. On December 1, 2007, the Company acquired a 9% ownership interest in American Bio-Clean Corporation in exchange for 2,000,000 shares of the Company's common stock valued at \$0.015 cents per share for a total consideration of \$30,000. In November 2008, the Company acquired an additional 30% of the Common Stock of American Bio-Clean Corporation in exchange for a note payable of \$240,000. On February 1, 2009, the Company finalized the acquisition of an additional 2% of the common stock of American Bio-Clean Corporation bringing its total ownership to 41%. The acquisition of American Bio-Clean Corporation was accounted for using the purchase method in accordance with SFAS 141, "Business Combinations". On December 1, 2007, the Company also acquired an 80% ownership interest in American Bio-Tec Cleaning Inc. in exchange for 190,000,000 shares valued at \$0.015 cents per share for a total consideration of \$2,850,000.

The investment in the subsidiaries of \$30,000 and \$2,850,000 is recorded in the accompanying consolidated financial statements of the Company. In June of 2008, the Company approved a reverse stock split of 1 share for each 25 shares held. The unaudited financial statements reflect operations of the Company and American Bio-Clean Corporation and American Bio-Tec Cleaning, Inc. for the five months ended April 30, 2008 and for the twelve months ended April 30, 2009.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Fair Value of Financial Instruments

Substantially all of the Company's assets and liabilities are carried at fair value or contracted amounts which approximate fair value.

### Accounts receivable

Amounts receivable from customers arise in the ordinary course of the Company's business. The Company routinely performs ongoing assessments of collectibility of its receivables. No allowance is provided herein as management deems this amount collectible.

### Property, Plant and Equipment

Property, Plant and Equipment is recorded at cost and depreciated over the estimated useful life of the assets from two to six years. Expenditures for maintenance are charged to expense as incurred.

### Inventory

Inventory is recorded at lower of cost or market on a first-in, first-out basis and consists principally of material used to clean heavy equipment and other machinery. Inventory is evaluated periodically for obsolescence and market value and appropriate adjustments are made at that time. Certain large contracts are classified in work in progress until all equipment and materials have been built or assembled to complete the contract.

### Other Asset

Other assets consist of a deposit with a supplier for materials.

### Impairment of Long Lived Assets

The Company has adopted Statement of Financial Accounting Standards No. 121(SFAS 121). The Statement requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes

in circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS No. 121 also requires assets to be disposed of be reported at the lower of the carrying amount or the fair value less costs to sell. Intangibles acquired in the acquisition of American Bio-Tech Cleaning Inc. and American Bio-Clean Corp. will be accounted for according to SFAS 142.

### Revenue Recognition

For revenue from product sales, the Company recognizes revenue in accordance with Staff Accounting Bulletin No. 104, REVENUE RECOGNITION ("SAB104"), which superseded Staff Accounting Bulletin No. 101, REVENUE RECOGNITION IN FINANCIAL STATEMENTS ("SAB101"). SAB 101 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectibility is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the products delivered and the collectibility of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue for which the product has not been delivered or is subject to refund until such time that the Company and the customer jointly determine that the product has been delivered or no refund will be required. SAB 104 incorporates Emerging Issues Task Force 00-21 ("EITF 00-21") MULTIPLE-DELIVERABLE REVENUE ARRANGEMENTS. EITF 00-21 addresses accounting for arrangements that may involve the delivery or performance of multiple products, services and/or rights to use assets. The effect of implementing EITF 00-21 on the Company's consolidated financial position and results of operations was not significant.

### Issuance of Shares for Services

The Company accounts for the issuance of equity instruments to acquire goods and services based on the fair value of the goods and services or the fair value of the equity instruments at the time of issuance, whichever is more reliably measured.

### Recent Accounting Pronouncements

In May 2008, FASB issued SFASB No.162, "The Hierarchy of Generally Accepted Accounting Principles". The pronouncement mandates the GAAP hierarchy reside in the accounting literature as opposed to the audit literature. This has the practical impact of elevating FASB Statements of Financial Accounting Concepts in the GAAP hierarchy. This pronouncement will become effective 60 days following SEC approval. The Company does not believe this pronouncement will impact its financial statements.

On May 9, 2008, the FASB issued FASB Staff Position No. APB 14-1 ("FSP APB 14-1"), "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)." FSP APB 14-1 clarifies that convertible

debt instruments that may be settled in cash upon conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14,"Accounting for Convertible Debt and Debt Issued with Stock Purchase Warrants." Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. The Company is currently evaluating the impact that FSP APB 14-1 will have on its consolidated results of operations or consolidated financial position.

In April 2009, the FASB issued FSP No. FAS 107-1 and APB 28-1, "Interim Disclosures about Fair Value of Financial Instruments" ("FSP FAS 107-1 and APB 28-1"). FSP FAS 107-1 and APB 28-1 require companies to disclose in interim financial statements the fair value of financial instruments within the scope of FASB Statement No. 107, Disclosures about Fair Value of Financial Instruments. However, companies are not required to provide in interim periods the disclosures about the concentration of credit risk of all financial instruments that are currently required in annual financial statements. The fair-value information disclosed in the footnotes must be presented together with the related carrying amount, making it clear whether the fair value and carrying amount represent assets or liabilities and how the carrying amount relates to what is reported in the balance sheet. FSP FAS 107-1 and APB 28-1 also requires that companies disclose the method or methods and significant assumptions used to estimate the fair value of financial instruments and a discussion of changes, if any, in the method or methods and significant assumptions during the period. The FSP shall be applied prospectively and is effective for interim and annual periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009. An entity early adopting FSP FAS 107-1 and APB 28-1 must also early adopt FSP FAS 157-4 as well as FSP FAS 115-2 and FAS 124-2. The Company will adopt the disclosure requirements of this pronouncement for the quarter ended June 30, 2009, in conjunction with the adoption of FSP FAS 157-4, FSP FAS 115-2 and FAS 124-2.

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events" ("SFAS 165"). SFAS 165 sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. SFAS 165 will be effective for interim or annual period ending after June 15, 2009 and will be applied prospectively. The Company will adopt the requirements of this pronouncement for the quarter ended June 30, 2009. The Company does not anticipate the adoption of SFAS 165 will have an impact on its consolidated results of operations or consolidated financial position.

## Reclassifications

Certain comparative amounts have been reclassified to conform to the current period's presentation.

### 3. UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited financial statements of the Company have been prepared in accordance with generally accepted accounting principles for financial information. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

### 4. NOTES PAYABLE

Notes payable represents a) a non-interest bearing note of \$80,000 to shareholders for certain start up expenses of the Company b) an non-interest bearing note of \$240,000 for the acquisition of 30% of American Bio-Clean Corporation, and c) a non-interest bearing note to an officer for \$400,000 for services performed during the year ended April 30, 2009. All the promissory notes are due on demand. In addition, the Company executed promissory notes with third parties and received cash amounting to \$185,000 at an interest rate of 10% per annum, due and payable on September 30, 2009. The Company recorded an interest expense of \$29,667 and \$2,000 on the notes payable in the accompanying financial statements at April 30, 2009 and 2008, respectively.

### 5. PREFERRED SHARES TO BE ISSUED

In July 2007 the Company agreed to issue 3,000,000 shares of preferred stock to shareholders for services. During the year ended April 30, 2009, the Company issued the 3,000,000 preferred shares and those shares were converted into 15,000,000 shares of common stock as of April 30, 2009. At April 30, 2009, no preferred shares remained to be issued.

### 6. ACQUISITION OF SUBSIDIARIES

On December 1, 2007, the Company acquired approximately 9% of the Common Stock of American Bio-Clean Corporation. In November 2008, the Company acquired an additional 30% of the Common Stock of American Bio-Clean Corporation in exchange for a note payable of \$240,000. On February 1, 2009, the Company finalized the acquisition of an additional 2% of the Common Stock of American Bio-Clean Corporation bringing its total ownership to 41%. The acquisition of American Bio-Clean Corporation was accounted for using the purchase method in accordance with SFAS 141, "Business Combinations". The results of operations for American Bio-Clean Corporation have been included in the consolidated statements of operations for the year ended April 30, 2009. American Bio-Clean Corporation is consolidated based on the 41% percentage of ownership of common shares since the Company has the control of operations and management of the Board of Directors. In accordance with Financial Accounting

Standard (SFAS) No. 141, Business Combinations, the total purchase price was allocated to the estimated fair value of assets acquired and liabilities assumed. The estimate of fair value of the assets acquired was based on management's estimates. The total purchase price was allocated to the assets and liabilities acquired as follows:

American Bio-Clean Corporation and American Bio-Tech Corporation – December 1, 2007:

Assets acquired	\$	476,610
Liabilities assumed		335,500
Net book value		143,110
Consideration paid – 2,000,000 shares		30,000
Goodwill	\$	<u>113,110</u>

Information required to complete the purchase price allocation for certain tangible and intangible property is not yet available. Final allocation of the purchase price will be completed as soon as this information is compiled and available. The remaining 59% of American Bio-Clean Corporation is owned by 2 shareholders, one of whom is our Secretary, and the remaining 20% of American Bio-Tech Corporation is owned by 2 separate shareholders, one of whom is our President. Both of these subsidiaries are recognized as a minority interest in the accompanying financial statements at April 30, 2009 and 2008, respectively. The Company has impaired the goodwill on acquisition of subsidiaries and recorded an impairment expense of \$263,110 in the accompanying financial statements for the year ended at April 30, 2009.

**EXHIBIT 14.1**

## PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made and entered into as of the 25th of January, 2010, by and between the following:

Bio-Clean International, Inc. (a/k/a Green Planet Services, Inc.), a Nevada corporation (hereinafter, the "Seller"); and

ACT Clean Technologies, Inc., a Nevada corporation (hereinafter "ACT").

### WITNESSETH:

WHEREAS, subject to the terms and conditions of this Agreement, ACT and Seller desire for ACT to purchase from Seller and for Seller to sell to ACT Eight Hundred (800) shares of capital stock of American Bio-Tech Cleaning, Inc., a Nevada corporation (the "ABT Stock" and "ABT", respectively), which represents Eighty percent (80%) of the issued and outstanding capital stock of ABT;

WHEREAS, the Board of Directors of ACT deems it desirable and in the best interests of ACT and its stockholders that ACT purchase the ABT Stock; and

WHEREAS, the Board of Directors of Seller deem it desirable and in the best interests of Seller and its stockholders that Seller sells the ABT Stock to ACT; and

WHEREAS, as consideration for the ABT Stock ACT shall to Seller One Hundred Thousand (100,000) shares of ACT Series I Convertible Preferred Stock, \$0.01 par value per share (the "ACT Preferred Shares"), the ACT Preferred Shares being further described in Paragraph 2.2, below; and

WHEREAS, ACT and Sellers intend that this transaction shall be eligible for treatment as a tax-free reorganization pursuant to the provisions of Internal Revenue Code Section 368(a)(1)(B); and

WHEREAS, ACT and Sellers desire to provide for certain undertakings, conditions, representations, warranties, and covenants in connection with the transactions contemplated by this Agreement; and

WHEREAS, Sellers and the Board of Directors of ACT have approved and adopted this Agreement, subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto do hereby agree as follows:



## SECTION 1

### DEFINITIONS

1.1 “Agreement”, “ABT”, “ABT Stock”, “ACT”, “ACT Preferred Shares”, and “Seller”, respectively, shall have the meanings defined in the foregoing preamble and recitals to this Agreement.

1.2 “Closing Date” shall mean 10:00 A.M., PST, January 25, 2010, at Huntington Beach, California, the date on which the parties hereto shall close the transactions contemplated herein; provided that the parties can change the Closing Date and place of Closing to such other time and place as the parties shall mutually agree, in writing. As of the Closing Date, all Exhibits to this Agreement shall be complete and attached to this Agreement.

## SECTION 2

### AGREEMENT FOR PURCHASE AND SALE OF ABT STOCK

2.1 Substantive Terms of the Purchase and Sale of ABT Stock. Seller shall sell and deliver to ACT Eight Hundred (800) shares of common stock of ABT, which represents Eighty percent (80%) of the issued and outstanding common stock of ABT in a form enabling ACT, then and there, to become the record and beneficial owner of said common stock.

2.2 Consideration Paid by ACT. ACT shall sell and deliver to Sellers the ACT Preferred Shares, consisting of One Hundred Thousand (100,000) shares of Series I Preferred Stock of ACT, which is convertible into One Million Dollars (\$1,000,000) of ACT Common Stock, in accordance with the provisions of a Certificate of Designations to be filed with the Nevada Secretary of State. The ACT Preferred Shares shall be issued pursuant to an exemption from registration under the Securities Act of 1933 (the “1933 Act”) and from registration under any and applicable state securities laws. The certificate the ACT Preferred Shares shall bear the restrictive legend set forth in Rule 144 of the Rules and Regulation of the 1933 Act and any appropriate legend required under applicable state securities laws. The ACT Preferred Shares shall be validly issued and outstanding, fully paid, and non-assessable.

2.3 Corporate Structure Following Effectiveness of Transaction. It is the intent of the parties that, following the Closing Date, ABT will be a wholly owned subsidiary of ACT. René Ponce will continue to serve as President of ABT and shall be named a director of ACT. Other officers and directors of ABT shall be determined by ACT and René Ponce.

## SECTION 3

### REPRESENTATIONS AND WARRANTIES OF ACT

ACT, in order to induce Seller to execute this Agreement and to consummate the transactions contemplated herein, represents and warrants to Seller, as follows:

3.1 Organization and Qualification. ACT is a corporation duly organized, and validly existing under the laws of Nevada, with all requisite power and authority to own its property and to carry on its business as it is now being conducted. ACT is duly qualified as a foreign corporation and in good standing in each jurisdiction where the ownership, lease, or operation of property or the conduct of business requires such qualification, except where the failure to be in good standing or so qualified would not have a material, adverse effect on the financial condition or business of ACT.

3.2 Ownership of ACT. ACT is authorized to issue two classes of stock of up to 502,000,000, as follows (i) 500,000,000 are common shares, \$0.0001 par value per share, of which 182,784,663 are currently issued and outstanding; and (ii) 2,000,000 are preferred shares, \$0.01 par value per share, of which 400,000 shares are designated Series A with -0- shares issued and outstanding, 100,000 shares designated Series B with 6,666 shares issued and outstanding, 1,000 shares designated Series C with -0- shares issued and outstanding, 100,000 shares designated Series D with 462 shares issued and outstanding, 1 share designated Series E with -0- shares issued and outstanding, 60 shares designated Series F with -0- issued and outstanding, 100,000 shares designated Series G with 100,000 shares to be issued, and 70,000 shares designated Series H with 64,282 shares to be issued.

3.3 Authorization and Validity. ACT has the requisite power and is duly authorized to execute and deliver and to carry out the terms of this Agreement. The board of directors of ACT has taken all action required by law, its Articles of Incorporation, as amended, and Bylaws or otherwise to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, subject to the satisfaction or waiver of the conditions precedent set forth in Section 8 of this Agreement. Assuming this Agreement has been approved by all action necessary on the part of Sellers, this Agreement is a valid and binding agreement of ACT.

## SECTION 4

### REPRESENTATIONS AND WARRANTIES OF SELLER

Seller, in order to induce ACT to execute this Agreement and to consummate the transactions contemplated herein, represent and warrant to ACT as follows:

4.1 Organization and Qualification. ABT is a Nevada corporation, duly organized and validly existing under the laws of the State of Nevada with all requisite power and authority to

own its property and assets and to carry on its business as it is now being conducted. ABT is qualified as a foreign corporation and is in good standing in each jurisdiction where the ownership, lease, or operation of property or the conduct of its business requires such qualification, except where the failure to be in good standing or so qualified would not have a material, adverse effect on the financial condition and business of ABT.

4.2 Ownership of ABT Stock. ABT is authorized to issue one class of stock: common stock, consisting of up to Two Hundred Fifty Thousand (250,000) shares, \$0.001 par value per share. At the date hereof, of such authorized shares of common stock, One Hundred Thousand (100,000) shares have been validly issued and are outstanding, fully paid, and non-assessable. Eighty (80,000) of the shares of common stock are owned of record and beneficially by Seller. There are no options, warrants, or other securities exercisable or convertible into or any calls, commitments, or agreements of any kind relating to any unissued equity securities of ABT.

4.3 Authorization and Validity. Seller has the requisite power and is duly authorized to execute and deliver and to carry out the terms of this Agreement. The board of directors of Seller has taken all action required by law, its Articles of Incorporation, as amended, and Bylaws or otherwise to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, subject to the satisfaction or waiver of the conditions precedent set forth in Section 8 of this Agreement. Assuming this Agreement has been approved by all action necessary on the part of ACTs, this Agreement is a valid and binding agreement of Seller.

4.4 Conduct and Transactions of ABT. During its current fiscal year, ABT conducted the operations of its business consistent with past practice and used its best efforts to maintain and preserve its properties, ABT employees, and relationships with customers and suppliers. Without limiting the foregoing, during such period ABT did not:

- (a) Incur any liabilities except to maintain its facilities and assets in the ordinary course of its business;
- (b) Declare or pay any dividends on any shares of capital stock or make any other distribution of assets to the holders thereof;
- (c) Issue, reissue, or sell, or issue options or rights to subscribe to, or enter into any contract or commitment to issue, reissue, or sell, any shares of capital stock or acquire or agree to acquire any shares of capital stock;
- (d) Amend its respective Articles of Incorporation or Bylaws or merge or consolidate with or into any other corporation or sell all or substantially all of its assets or change in any manner the rights of its capital stock or other securities;
- (e) Pay or incur any obligation or liability, direct or contingent, except in the ordinary course of its business;

(f) Incur any indebtedness for borrowed money, assume, guarantee, endorse, or otherwise become responsible for obligations of any other party, or make loans or advances to any other party except in the ordinary course of its business;

(g) Increase in any manner the compensation, direct or indirect, of any of its officers or executive employees, except as otherwise disclosed in Exhibit 4.4(g), hereto; or

(h) Make any capital expenditures except in the ordinary course of its business.

4.5 Compensation Due Employees. ABT will not have any outstanding liability for payment of wages, payroll taxes, vacation pay (whether accrued or otherwise), salaries, bonuses, pensions, contributions under any employee benefit plans or other compensation, current or deferred, under any labor or employment contracts, whether oral or written, based upon or accruing in respect of those services of employees of ABT that have been performed prior to the Closing Date, except as specified on Exhibit 4.5 hereto. On the Closing Date, ABT will not have any unfunded, contingent or other liability under any defined benefits plan or any other retirement or retirement-type plan, whether such planes) are to continue or are thereupon terminated, except for the normal on-going obligations for future contributions under such planes) not related, generally or specifically, to the termination of such planes) or except as specified on Exhibit 4.5 hereto.

4.6 Union Agreements and Employment Agreements. ABT is not a party to any union agreement or any organized labor dispute. ABT has no written or verbal employment agreements with any of its employees, except as listed in Exhibit 4.6 hereto.

4.7 Contracts and Leases. Except as listed in Exhibit 4.7 hereto, ABT is not a party to any written or oral leases, commitments, or any other agreements. On the Closing Date, ABT has paid or performed in all material respects all obligations required to be paid or performed by it to such date and will not be in default under any document, contract, agreement, lease, or other commitment to which it is a party.

4.8 Insurance. All insurance against losses or damages or other risks which are in force for the benefit of ABT are set forth in Exhibit 4.8 hereto.

4.9 Liabilities. ABT has no liabilities, except as described in Exhibit 4.9 hereto.

4.10 Proprietary Rights. ABT owns or is duly licensed to use such patents, trademarks and copyrights as are necessary to conduct its business as presently conducted. The conduct of business by ABT does not, to the best knowledge of ABT, infringe upon the patents, trademarks or copyrights of any third party. ABT owns the rights to the fictitious business name in all jurisdictions in which it is presently operating.

4.11 Internal Controls.

(a) There have been no transactions except in accordance with management's general or specific authorization.

(b) ABT has devised and maintained respective systems of internal accounting controls sufficient to provide reasonable assurances that transactions are recorded as necessary (i) to permit preparation of financial statements in conformity with generally accepted accounting principles and (ii) to maintain accountability for assets and expenses.

4.12 Contracts and Agreements. ABT is not a party to any material contracts or agreements in respect of the operation of its business, except as listed in Exhibit 4.12 hereto.

4.13 Minute Books. The minute books of ABT contain true, complete, and accurate records of all meetings and other corporate actions of its shareholders and Board of Directors, and true and accurate copies thereof have been delivered to counsel for ACT prior to the Closing Date. The signatures appearing on all documents contained therein are the true signatures of the persons purporting to have signed the same.

4.14 Litigation. Except as set forth in Exhibit 4.14, there are no actions, suits, proceedings, orders, investigations, or claims (whether or not purportedly on behalf of ABT) pending against or affecting ABT at law or in equity or before or by any federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality, domestic or foreign, nor has any such action, suit, proceeding, or investigation been pending or threatened in writing during the 12-month period preceding the date hereof, which, if adversely determined, would materially and adversely affect the financial condition of ABT or which seeks to prohibit, restrict, or delay the consummation of the stock sale contemplated hereby. ABT is not operating under or subject to, or in default with respect to, any order, writ, injunction, or decree of any court or federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality.

4.15 Taxes. At the Closing Date, all tax returns required to be filed with respect to the operations or assets of each of ABT prior to Closing Date have been correctly prepared in all material respects and timely filed, and all taxes required to be paid in respect of the periods covered by such returns have been paid in full or adequate reserves have been established for the payment of such taxes. Except as set forth in Exhibit 4.15, as of the Closing Date, ABT has not requested any extension of time within which to file any tax returns, and all known deficiencies for any tax, assessment, or governmental charge or duty shall have been paid in full or adequate reserves have been established for the payment of such taxes. The ABT tax returns are true and complete in all material respects. No audits by federal or state authorities are currently pending or threatened.

4.16 No Defaults. ABT is not in default under or in violation of any provision of its Articles of Incorporation or Bylaws. ABT is not in default under or in violation of any material provision of any indenture, mortgage, deed of trust, lease, loan agreement, or other agreement or instrument to which it is a party or by which it is bound or to which any of its is subject, if such default would have a material, adverse effect on the financial condition or business of ABT. ABT is not in violation of any statute, law, ordinance, order, judgment, rule, regulation, permit, franchise, or other approval or authorization of any court or governmental agency or body having jurisdiction over it or any of its properties which, if enforced, would have a material, adverse effect on the financial condition or business of ABT. Neither the execution and delivery of this

Agreement, nor the consummation of the transactions contemplated herein, will conflict with or result in a breach of or constitute a default under any of the foregoing or result in the creation of any lien, mortgage, pledge, charge, or encumbrance upon any asset of ABT and no consents or waivers thereunder are required to be obtained in connection therewith in order to consummate the transactions contemplated by this Agreement.

4.17 Documents. The copies of all agreements and other instruments that have been delivered by Seller to ACT are true, correct, and complete copies of such agreements and instruments and include all amendments thereto.

4.18 Disclosure. The representations and warranties made by Seller herein and in any schedule, statement, certificate, or document furnished or to be furnished by ABT and/or Seller to ACT pursuant to the provisions hereof or in connection with the transactions contemplated hereby taken as a whole do not and will not as of their respective dates contain any untrue statements of a material fact, or omit to state a material fact necessary to make the statements made not misleading.

## SECTION 5

### INVESTIGATION; PRESS RELEASE

#### 5.1 Investigation.

(a) ACT acknowledges that it has made an investigation of ABT to confirm, among other things, the assets, liabilities, and status of business of ABT and the cash position, accounts receivable and liabilities. In the event of termination of this Agreement, ACT will deliver to Seller all documents, work papers, and other materials and all copies thereof obtained by ACT, or on its behalf, from ABT or Seller, whether obtained before or after the execution hereof, will not use, directly or indirectly, any confidential information obtained from ABT or Seller hereunder or in connection herewith, and will keep all such information confidential and not used in any way detrimental to ABT or Seller except to the extent the same is publicly disclosed by ABT or Seller.

(b) Seller acknowledges that it has made an investigation of ACT, which has included, among other things, the opportunity of discussions with executive officers of ACT, and its accountants, investment bankers, and counsel. In the event of termination of this Agreement, Seller will deliver to ACT all documents, work papers, and other materials and all copies thereof obtained by him, or on his behalf, from ACT, whether obtained before or after the execution hereof and will not use, directly or indirectly, any confidential information obtained from ACT hereunder or in connection herewith, and will keep all such information confidential and not used in any way detrimental to ACT, except to the extent the same is publicly disclosed by ACT.

(c) Except in the event that any party hereto discovers in the course of his or its respective investigation any breach of a representation or warranty by the other party hereto and does not disclose it to such other party prior to the Closing Date, no investigation pursuant to this Section 5.1 shall affect or be deemed to modify any representation or warranty made by any party hereto.

5.2 Press Release. ACT and Seller shall agree with each other as to the form and substance of any press releases and the filing of any documents with any federal or state agency related to this Agreement and the transactions contemplated hereby and shall consult with each other as to the form and substance of other public disclosures related thereto; *provided, however*, that nothing contained herein shall prohibit either party from making any disclosure that its counsel deems necessary.

## SECTION 6

### BROKERAGE

6.1 Brokers and Finders. Neither ACT nor Seller, or any of their respective officers, directors, employees, or agents, has employed any broker, finder, or financial advisor or incurred any liability for any fee or commissions in connection with initiating the transactions contemplated herein. Each party hereto agrees to indemnify and hold the other party harmless against or in respect of any commissions, finder's fees, or brokerage fees incurred or alleged to have been incurred with respect to initiating the transactions contemplated herein as a result of any action of the indemnifying party.

## SECTION 7

### CLOSING AGREEMENTS AND POST-CLOSING

7.1 Closing Agreements. On the Closing Date, the following activities shall occur, the following agreements shall be executed and delivered, and the respective parties thereto shall have performed all acts that are required by the terms of such activities and agreements to have been performed simultaneously with the execution and delivery thereof as of the Closing Date:

- (a) Seller shall have executed and delivered documents to ACT sufficient then and there to transfer record and beneficial ownership to ACT of the ABT Stock, consisting of Eighty Thousand (80,000) shares of ABT common stock;
- (b) ACT shall have delivered to Seller the ACT Preferred Shares, consisting of One Hundred Thousand (100,000) shares of ACT Series I Convertible Preferred Stock.

## SECTION 8

### CONDITIONS PRECEDENT TO ACT'S OBLIGATIONS TO CLOSE

The obligations of ACT to consummate this Agreement are subject to satisfaction on or prior to the Closing Date of the following conditions:

8.1 Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date, and Seller shall have performed in all material respects all of its obligations hereunder theretofore to be performed.

8.2 Other. The joint conditions precedent in Section 10 hereof shall have been satisfied and all documents required for Closing shall be acceptable to Counsel for ACT.

## SECTION 9

### CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS TO CLOSE

The obligation of Seller to consummate this Agreement is subject to the satisfaction on or prior to the Closing Date of the following conditions:

9.1 Representations and Warranties. The representations and warranties of ACT contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date, and ACT shall have performed in all material respects all of its obligations hereunder theretofore to be performed.

9.2 Other. The joint conditions precedent in Section 10 hereof shall have been satisfied.

## SECTION 10

### JOINT CONDITIONS PRECEDENT

The obligations of ACT and Seller to consummate this Agreement shall be subject to satisfaction or waiver in writing by all parties of each and all of the following additional conditions precedent at or prior to the Closing Date:

10.1 Other Agreements. All of the agreements contemplated by Section 7.1 of this Agreement shall have been executed and delivered, and all acts required to be performed thereunder as of the Closing Date shall have been duly performed, including, without limitation, completion of all exhibits to this Agreement.

10.2 Absence of Litigation. At the Closing Date, there shall be no action, suit, or proceeding pending or threatened against any of the parties hereto by any person, governmental agency, or subdivision thereof, nor shall there be pending or threatened any action in any court or administrative tribunal, which would have the effect of inhibiting the consummation of the transactions contemplated herein.



## SECTION 11

### TERMINATION

11.1 Termination. This Agreement may be terminated and abandoned on the Closing Date by:

- (a) the mutual consent in writing of the parties hereto;
- (b) ACT, if the conditions precedent in Sections 8 and 10 of this Agreement have not been satisfied or waived by the Closing Date; and
- (c) Seller, if the conditions precedent in Sections 9 and 10 of this Agreement have not been satisfied or waived by the Closing Date.

If this Agreement is terminated pursuant to Section 11.1, the parties hereto shall not have any further obligations under this Agreement, and each party shall bear all costs and expenses incurred by it.

## SECTION 12

### NATURE AND SURVIVAL OF REPRESENTATIONS, ETC.

12.1 All statements contained in any certificate or other instrument delivered by or on behalf of ACT or Seller pursuant to this Agreement or in connection with the transactions contemplated hereby shall be deemed representations and warranties by such party. All representations and warranties and agreements made by ACT or Seller in this Agreement or pursuant hereto shall survive the Closing Date hereunder until the expiration of the 12<sup>th</sup> month following the Closing Date.

## SECTION 13

### MISCELLANEOUS

13.1 Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if written and delivered in person or sent by registered mail or overnight delivery, postage or overnight delivery fees prepaid, addressed as follows:

to Seller: Bio-Clean International, Inc.  
5020 Campus Drive  
Suite 3  
Newport Beach, CA 92660

to ACT: ACT Clean Technologies, Inc.  
5210 Bolsa Avenue, Suite A  
Huntington Beach, CA 92649

or such other address as shall be furnished in writing by the appropriate person, and any such notice or communication shall be deemed to have been given as of the date so mailed.

13.2 Time of the Essence. Time shall be of the essence of this Agreement.

13.3 Costs. Each party will bear the costs and expenses incurred by it in connection with this Agreement and the transactions contemplated hereby.

13.4 Cancellation of Agreement. In the event that this Agreement is canceled by mutual agreement of the parties or by failures of any of the conditions precedent set forth in Paragraphs 8, 9 and 10, neither Seller nor ACT shall be entitled to any damages, fees, costs or other consideration.

13.5 Entire Agreement, Amendment and Waiver. This Agreement and documents delivered at the Closing Date hereunder contain the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement and supersedes all other agreements, written or oral, with respect thereto. This Agreement may be amended or modified in whole or in part, and any rights hereunder may be waived, only by an agreement in writing, duly and validly executed in the same manner as this Agreement or by the party against whom the waiver would be asserted. The waiver of any right hereunder shall be effective only with respect to the matter specifically waived and shall not act as a continuing waiver unless it so states by its terms.

13.6 Reformation/Severability. If any provision of this Agreement is declared invalid by any tribunal, then such provision shall be deemed automatically adjusted to the minimum extent necessary to conform to the requirements for validity as declared at such time and, so adjusted, shall be deemed a provision of this Agreement as though originally included therein. In the event the provision invalidated is of such a nature that it cannot be so adjusted, the provision shall be deemed deleted from this Agreement as though such provision had never been included. In either case, the remaining provisions of this Agreement shall remain in effect.

13.7 Counterparts. This Agreement may be executed in one or more counterparts each of which shall be deemed to constitute an original and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other party.

13.8 Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Nevada.

13.9 Attorneys' Fees and Costs. In the event any party to this Agreement shall be required to initiate legal proceedings to enforce performance of any term or condition of this Agreement, including, but not limited to, the interpretation of any term or provision hereof, the payment of moneys or the enjoining of any action prohibited hereunder, the prevailing party shall

be entitled to recover such sums, in addition to any other damages or compensation received, as will reimburse the prevailing party for reasonable attorneys' fees and court costs incurred on account thereof (including, without limitation, the costs of any *appeal*) notwithstanding the nature of the *claim* or cause of action asserted by the prevailing party.

13.10 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors, and assigns, as the case may be.

13.11 Access to Counsel. Each party hereto acknowledges that each has had access to legal counsel of her or its own choice and has obtained such advice therefrom, if any, as such party has deemed necessary and sufficient prior to the execution hereof. Each party hereto acknowledges that the drafting of this Agreement has been a joint effort and any ambiguities or interpretative issues that may arise from and after the execution hereof shall not be decided in favor or, or against, any party hereto because the language reflecting any such ambiguities or issues may have been drafted by any specific party or her or its Counsel.

13.12 Captions. The captions appearing in this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**“ACT”**

ACT Clean Technologies, Inc.

By: \_\_\_\_\_  
Russell Kidder, President

**“SELLER”**

Bio-Clean International, Inc.

By: \_\_\_\_\_  
James E. Shipley, President

**EXHIBIT 14.2**

## SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Agreement") is executed as of April 17, 2010 by and between James E. Shipley ("Shipley"), Bio-clean International, Inc., a Nevada corporation (hereinafter "BCLE"), René E. Ponce, American Bio-tech Cleaning, Inc., a Nevada corporation (hereinafter "ABT"), George Roth, Michael Roth, Bio Clean, Inc., a Nevada corporation, ACT Clean Technologies, Inc., a Nevada corporation, and Russell Kidder, on the one hand (hereinafter "Parties of the First Part"), and John P. Finn ("Finn"), Tammy D. Dunn, Donald Wantz ("Wantz") and American Bio-clean Corporation, a Nevada corporation (hereinafter "ABC"), on the other hand (hereinafter "Parties of the Second Part").

### I. RECITALS

A. Following a meeting with Finn and Wantz in September, 2007 relative to an investment opportunity in ABC, a Service Disabled Veteran Owned Small Business ("SDVOSB") owned by Finn and Wantz, Shipley arranged for a loan of \$150,000 for ABC, evidenced by a promissory note, payable in full in six months together with an equity distribution to the lender.

B. When said promissory note came due, neither ABC nor Finn nor Wantz could pay any part of it. Instead, BCLE issued its note, personally guaranteed by Shipley, in the sum of \$260,000, being principal, interest and the buy-back cost of the agreed upon equity position owed to the lender, in exchange for the \$150,000 promissory note. Neither ABC, nor Finn nor Wantz has, to date, paid any part of said \$260,000 note to BCLE.

C. Since January, 2008 to the present ABC has operated as an affiliated entity of BCLE, which owns forty-one percent (41%) of the issued and outstanding shares of ABC stock.

D. Parties of the First Part and Parties of the Second part now wish to terminate their present business relationships set forth above and to provide for a distribution of certain assets and liabilities arising from those relationships

## II. DEFINITIONS

As used in this Agreement, the following phrases and words have the following meanings:

### A. Associated Persons and Associated Entities.

“Associated Persons and Associated Entities” shall include, to the broadest extent possible allowed by law: (1) Associated Persons: present and former officers, directors, shareholders, employees, agents, representatives, assigns, accountants, attorneys, insurance carriers, beneficiaries, spouses, executors, administrators, heirs, predecessors-in-interest and successors-in-interest, respectively, of each of the Parties and of each of their Associated Entities; and (2) Associated Entities: parent corporations, sister corporations, subsidiaries, divisions and affiliates, as well as partnerships and joint ventures involving such Associated Entities and Associated Persons as well as companies controlling, controlled by, or under common control with such Associated Entities.

## III. SETTLEMENT TERMS

The Parties agree as follows:

A. BCLE shall deliver all of its shares in ABC, signed in blank for transfer, representing approximately forty-one percent (41%) of the issued and outstanding shares of ABC, to ABC for surrender to its treasury. In the event that no certificate for said shares has been prepared or is lost, BCLE shall deliver to ABC an assignment of all of its right, title and interest in and to any claim of right to said shares.

B. BCLE shall assume, and hold Parties of the Second Part harmless from, that certain promissory note in the face amount of Eighty-Six Thousand Dollars (\$86,000), dated December 15, 2009, given by ABC to ABT, a copy of which is attached hereto, marked Exhibit “A” and incorporated herein by reference. ABT specifically releases Parties of the Second Party from liability of any kind related to Exhibit “A.” The present balance due on Exhibit “A” is approximately \$89,534.

C. ABC shall assign, transfer and quitclaim to BCLE all of its right, title and interest in

and to that certain purchase order from Bio-Clean, Inc. to ABC, dated November 13, 2009, a copy of which is attached hereto, marked Exhibit "B" and incorporated by reference.

D. Parties of the Second Part shall surrender to René Ponce all of the financial and legal books and records of ABT in their possession or under their control, including such books and records as may be in electronic form, retaining no copies. Said books and records shall include, at a minimum, those deemed necessary by Manu Ohri, CPA for the preparation of auditable financial statements for ABT.

E. Parties of the Second Part acknowledge that Exhibit "C" is a complete list of BCLE assets removed by them from BCLE's business premises in the past six months. Said assets shall be retained by Parties of the Second Part, but BCLE shall be entitled to adjust its financial records to account for the loss thereof.

F. Parties of the Second Part give up and surrender any claim that any one of them may have for the issuance to any of them of any common stock of BCLE not issued and delivered as of the date of this Agreement

G. The Parties shall retain the services of Robert J. Huston III, attorney at Law to act as Escrow Holder, to facilitate the close of this transaction, on the terms and conditions of that certain ESCROW / ACCOMMODATION AGREEMENT of even date, a copy of which is attached hereto, marked Exhibit "D" and incorporated herein by this reference.

H. Releases and Waiver

1. Releases

Parties of the First Part, for themselves and on behalf of their Associated Entities and Associated Persons, each hereby fully and forever RELEASE, ACQUIT and DISCHARGE one another and Parties of the Second Part, and each of their Associated Entities and Associated Persons, from any and all liability, claims, demands, actions, causes of action and rights (contingent, accrued, known, unknown, inchoate or otherwise) which may exist as of the execution



of this Agreement, or which may hereafter arise out of facts or events occurring prior to execution of this Agreement,

Parties of the Second Part, for themselves and on behalf of their Associated Entities and Associated Persons, hereby fully and forever RELEASE, ACQUIT and DISCHARGE one another and Parties of the First Part, and each of their Associated Entities and Associated Persons, from any and all liability, claims, demands, actions, causes of action and rights (contingent, accrued, known, unknown, inchoate or otherwise) which may exist as of the execution of this Agreement, or which may hereafter arise out of facts or events occurring prior to execution of this Agreement.

2. Waiver of Civil Code Section 1542

The Parties, for themselves and on behalf of their Associated Entities and Associated Persons, hereby waive all rights which may exist under **California Civil Code section 1542** (or laws of similar effect), which provides as follows:

**“A general release does not extend to claims which the creditor does not known or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”**

3. Indemnification Against Pursuit of Released Claims

Each party shall indemnify, defend and hold the Parties released herein, and each such released Party's Associated Entities and Associated Persons, harmless from and against any and all claims arising directly or indirectly out of the assertion, enforcement, or attempted enforcement, by the releasing party or any of its Associated Entities or Associated Persons, of any of the claims the releasing party has released herein, or of any breach of any representation or warranty the releasing party has made in this Agreement.

IV. GENERAL TERMS

A. No Assignment

Each party represents and warrants that it has not heretofore assigned, transferred, or purported to assign or transfer (and covenants that it will not assign, transfer or purport to assign or transfer), to any person or entity, any liability, claim, demand, action, cause of action or right which is herein released and discharged; and, each such party, respectively, shall indemnify each person and entity released and discharged by the provisions of Section III.F.1. above, shall hold them harmless from and against: (1) any liability, claim, demand, action, cause of action or right assigned or transferred contrary to the foregoing warranty; and, (2) any and all loss, expense, or liability arising out of any breach of the foregoing warranty by said indemnitor.

B. No Admission

Execution of this Agreement shall not constitute an admission of any wrongdoing, a concession of any fact in issue in any civil litigation, or an acknowledgment of any obligation not created hereby.

C. Governing Law

This Agreement is made and entered into at Huntington Beach, California, and shall be interpreted, enforced and governed by and under the laws of California.

D. Integration

This Agreement constitutes the final, complete and exclusive agreement and understanding between and among the Parties, and supersedes all prior or contemporaneous written or oral agreements. The Parties each acknowledge that there are no representations, warranties, agreements, arrangements or understandings other than as expressly contained in this Agreement.

E. Non-Disparagement

Each party to this Agreement shall not, and shall not authorize or encourage any third party to, engage in any action or practice that reflects poorly on any other party to this Agreement or

otherwise disparages or devalues any other party's reputation or goodwill. Each party acknowledges that any attempted participation or violation of any of the foregoing is a material breach of this Agreement and that the offended party may pursue any and all applicable legal and equitable remedies against the offender, including an immediate termination of this Agreement, and the pursuit of all available civil or criminal remedies.

F. Independent Action

The Parties each acknowledge that they have received independent legal advice with respect to the advisability of making this Agreement, and specifically with respect to the meaning and effect of waiving California Civil Code section 1542. They further acknowledge that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to this Agreement.

G. Successors and Assigns

This Agreement shall apply, bind and inure to the benefit of the Parties and each of their Associated Entities and Associated Persons only to the extent expressly provided herein.

H. Counterparts

This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

I. No Oral Modifications

This Agreement may be amended or modified in writing only, signed by the Parties to be charged or bound by such amendment or modification.

J. Enforcement

1. "Jurisdiction and Service of Process" Any suit, action or proceeding arising out of or relating to this Agreement, or the interpretation, performance or breach of this Agreement, shall be litigated in the United States District Court for the Central District of California or any court of the State of California located in Orange County. Each Party irrevocably submits to the

jurisdiction of those courts and waives any and all objections to jurisdiction or venue that he may have under the laws of the State of California or otherwise in those courts in any such suit, action or proceeding. In any action, suit or proceeding covered by this Paragraph IV.K. each Party hereby waives personal service of all process on the condition that all such process is delivered in the manner provided for notices under this Agreement.

2. "Injunctive Relief" Each Party acknowledges that:

- (i) Each Party's obligations under this Agreement are unique;
- (ii) The opportunity to resolve disputes and settle claims under this Agreement is a unique prospect for such Party;
- (iii) If any Party should default in any of its obligations under this Agreement, (a) it would be extremely difficult or impossible to ascertain the amount of money damages which would adequately compensate a nondefaulting Party for another Party's breach of any provision of this Agreement, and (b) money damages would not afford adequate relief for such a breach; and
- (iv) The consideration to be paid for release under this Agreement is fair and adequate.

Accordingly, if any Party violates any provision of this Agreement, then the nondefaulting Party shall be entitled to temporary and permanent injunctive relief (including specific performance) to enforce the provisions of this Agreement, in addition to any other right or remedy of the nondefaulting Party available under this Agreement or otherwise, without prejudice to the nondefaulting Party's right to seek and recover monetary damages, and upon a satisfactory showing by the nondefaulting Party of a breach or a threatened breach of any of the provisions of this Agreement.

Each Party hereby expressly waives the defense that a remedy in damages would be adequate.

3. "Damages" If a breach of this Agreement results affects the tax status of any Party to this Agreement, then damages shall be determined by taking into account, among other relevant factors, the additional federal income tax, California franchise tax and any other additional taxes or costs (including legal and accounting fees) of the Parties resulting therefrom, and no nondefaulting Party shall be under any duty to mitigate in any manner.

K. Attorneys' Fees, Costs and Disbursements

If any Party to this Agreement brings an action or other proceeding for the enforcement of, or seeks a declaration as to, or asserts by way of defense, any term or provision of this Agreement, then there shall be an award of reasonable attorneys' fees, costs and reasonable disbursements of counsel to the prevailing Party or Parties.

L. Construction

The Parties have participated jointly in the negotiation and drafting of this Agreement and in the event of any ambiguity or question of intent or interpretation, no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

M. Further Assurances

The Parties shall take such actions and execute and deliver such further documentation as may reasonably be required in order to give effect to the transactions contemplated by this Agreement and the intentions of the Parties hereto.

**THE FOREGOING IS APPROVED AND AGREED:**

Dated: BIO-CLEAN INTERNATIONAL, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

AMERICAN BIO-TECH CLEANING, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

BIO CLEAN, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

ACT CLEAN TECHNOLOGIES, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

AMERICAN BIO-CLEAN CORPORATION

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

\_\_\_\_\_  
JAMES E. SHIPLEY

Dated:

\_\_\_\_\_  
RENE PONCÉ

Dated:

\_\_\_\_\_  
GEORGE ROTH

Dated:

---

MICHAEL ROTH

Dated:

---

RUSSELL KIDDER

Dated:

---

JOHN P. FINN

Dated:

---

TAMMY D. DUNN

Dated:

---

DONALD WANTZ

EXHIBIT "A"



**PROMISSORY NOTE**

\$86,000.00

December 15, 2009  
Huntington Beach, CA

FOR VALUE RECEIVED, **AMERICAN BIO-CLEAN CORP.**, a Nevada corporation (“Maker”), promises to pay to the order of **AMERICAN BIO TECH CLEANING, INC.**, an Individual (“Payee”), at 5412 Bolsa Ave., Suite D, Huntington Beach, CA 92649, or at such other place as the holder of this note may hereafter designate in writing, in immediately available funds and in lawful money of the United States of America, the principal sum of EIGHTY SIX THOUSAND DOLLARS AND NO/100 Dollars (\$86,000.00) plus accrued interest on the unpaid principal amount outstanding on this note at a per annum rate equal to the lesser of twelve percent (12%) per annum or the maximum non usurious interest rate allowed by applicable law.

This Note shall be due and payable in one lump sum payment of principal and accrued interest on March 31, 2010 (the “**Maturity Date**”). After maturity (whether by acceleration in an Event of Default (as defined below) or otherwise), all amounts outstanding hereunder shall bear interest at the lesser of eighteen percent (18%) per annum or the maximum nonusurious interest rate allowed by applicable law. All interest that shall accrue in accordance herewith on the indebtedness evidenced by this Note shall be computed on the basis of a year of 365 or 366 days, as the case may be.

All sums paid hereon (whether regularly scheduled payment or prepayment) shall be applied first to the satisfaction of accrued unpaid interest and the remainder, if any, to the reduction of the principal balance hereof.

Maker shall have the privilege to prepay this Note at any time, and from time to time, in whole or in part, without penalty or fee. Any prepayment of principal under this Note shall include accrued interest to the date of prepayment on the principal amount being prepaid.

In the case of an Event of Default (as defined below), then Payee shall have the option, to the extent permitted by applicable law, to declare this Note due and payable (unless, as provided below, an Event of Default occurs which causes this Note to be automatically due and payable, upon which no declaration shall be required), whereupon the entire unpaid principal balance of this Note and all accrued unpaid interest thereon shall thereupon at once mature and become due and payable without presentment, demand, protest or notice of any kind (including, but not limited to, notice of intention to accelerate or notice of acceleration), all of which are hereby expressly waived by Maker.

The occurrence of any one or more of the following events with regard to Maker shall constitute an Event of Default hereunder:

- (A) Maker shall fail to pay when due the principal or interest hereunder;
- (B) Maker shall fail to perform any of the obligations, covenants or agreements legally imposed by the terms of this Note, the Security Agreement (hereinafter defined), or any other instrument securing payment of this Note, which is not cured within five (5) days after Maker receives written notice from Payee;

12/14/09 J

- (C) Maker or any guarantor hereof shall default in the payment of any other indebtedness Maker or any guarantor hereof owes to Payee or default in the performance of any obligation set forth in any instrument securing the payment of any other indebtedness Maker or such guarantor owes to Payee;
- (D) Maker shall admit its inability to pay its debts as they mature or shall make any assignment for the benefit of itself or any of its creditors;
- (E) A petition for relief in bankruptcy or under any reorganization, arrangement, composition, readjustment, liquidation, or dissolution statute, law or regulation is filed by or against Maker or any guarantor of this Note; or a receiver or trustee shall be appointed for the Maker or any guarantor of this Note or for any substantial part of its or his assets, or any proceedings shall be instituted for the full or partial liquidation of the Maker or any guarantor of this Note and such receiver or trustee shall not be discharged within thirty (30) days of his appointment; or
- (F) Maker dissolves or terminates, or any guarantor of this Note dies or is adjudged to be incompetent by a court of competent jurisdiction.

It is the intention of the parties hereto to conform strictly to applicable usury laws as in effect from time to time during the term of this Note. Accordingly, it is agreed that, notwithstanding any provision of this Note to the contrary, if any transaction or transactions contemplated hereby would be usurious under applicable law (including the laws of the United States of America, or of any other jurisdiction whose laws may be mandatorily applicable), then, in that event, notwithstanding anything to the contrary in this Note, or any agreement entered into in connection with this Note, it is agreed as follows: (i) the provisions of this paragraph shall govern and control; (ii) the aggregate of all interest under applicable law that is contracted for, charged or received under this Note shall under no circumstances exceed the maximum amount of interest allowed by applicable law, and any excess shall be promptly credited to Maker by Payee (or, if such consideration shall have been paid in full, such excess shall be promptly refunded to Maker by Payee); (iii) neither Maker nor any other person or entity now or hereafter liable in connection with this Note shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum interest permitted by the applicable usury laws; and (iv) the effective rate of interest shall be ipso facto reduced to the Highest Lawful Rate. All sums paid, or agreed to be paid, to Payee for the use, forbearance and detention of the indebtedness of Maker to Payee shall, to the extent permitted by applicable law, be amortized, pro rated, allocated and spread throughout the full term of the indebtedness described in this Note, until payment in full so that the actual rate of interest does not exceed the Highest Lawful Rate in effect at any particular time during the full term thereof. The maximum lawful interest rate, if any, referred to in this paragraph that may accrue pursuant to this Note is referred to herein as the "Highest Lawful Rate". If at any time the Note Rate shall exceed the Highest Lawful Rate, and thereafter the Note Rate should become less than the Highest Lawful Rate, the rate of interest payable in such latter time shall be the Highest Lawful Rate until Payee shall have received the amount of interest which Payee would have otherwise received if the Note Rate had not been limited by the Highest Lawful Rate during the period of time that the Note Rate exceeded the Highest Lawful Rate. If at maturity or final payment of this Note the total amount of interest paid or accrued under the foregoing provisions is less than the total amount of interest which would have accrued if the Note Rate had at all times been in effect, then Maker agrees to pay to Payee, to the extent allowed by law, an amount equal to the difference between (a) the lesser of (i) the amount of interest which would have accrued if the Highest Lawful Rate had at all times been in effect or (ii) the amount of

*JA* 12/14/09

interest which would have accrued if the Note Rate had at all times been in effect, and (b) the amount of interest accrued in accordance with the other provisions of this Note.

Except as otherwise provided herein, Maker and all other parties now or hereafter liable hereon severally waive grace, demand, presentment for payment, protest, notice of any kind (including, but not limited to, notice of dishonor, notice of protest, notice of intention to accelerate and notice of acceleration) and diligence in collecting and bringing suit against any party hereto and agree (i) to all extensions and partial payments, with or without notice, before or after maturity, (ii) to any substitution, exchange or release of any security now or hereafter given for this Note, (iii) to the release of any party primarily or secondarily liable hereon, and (iv) that it will not be necessary for Payee, in order to enforce payment of this Note, to first institute or exhaust Payee's remedies against Maker or any other party liable therefor or against any security for this Note.

In the event of any default hereunder and this Note is collected by suit or legal proceedings or through bankruptcy proceedings, Maker agrees to pay, in addition to all other amounts owing hereunder, all expenses and costs of collection, including reasonable attorney's fees incurred by the holder hereof.

Any check, draft, money order or other instrument given in payment of all or any portion hereof may be accepted by Payee and handled in collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of Payee except to the extent that actual cash proceeds of such instrument are unconditionally received by Payee. In connection therewith, any such payments received by the holder hereof after noon of any business day shall be posted and applied to the indebtedness evidenced by this Note on the next business day of the holder hereof.

This Note has been executed and delivered in and shall be construed in accordance with and governed by the laws of the State of California and of the United States of America, without giving effect to principles of conflicts of laws. Venue of any action brought under or pursuant to this Note shall be proper in Orange County, California.

The obligations under this Note are secured by that certain Security Agreement dated effective as of February 10, 2009, by and between Payee and Maker (the "Security Agreement").

**MAKER:**

AMERICAN BIO-CLEAN CORP., a Nevada corporation

By: *John P. Finn* *AKA BY President*  
Name: John P. Finn  
Title: President *12/14/09*

*J* GUARANTOR: This note and all the other obligations under the \$86,000 owed to American Bio Tech Cleaning, Inc., are unconditionally and personally guaranteed by John P. Finn, President.

*No Personal Guarantee will be applied*  
*John P. Finn*  
John P. Finn, Individually

*See attached Project Description revised*

DESCRIPTION	QUANTITY	COST	TOTAL COST
55 Gallon Parts Washer - MD# 55FH201	1	\$10,700.00	\$10,700.00
55 Gallon Parts Washer - MD# 55HT301	1	\$12,050.00	\$12,050.00
35 Gallon Parts Washer - MD# 35RH001	2	\$1,335.00	\$2,670.00
Neptune Electric Fluid Mixer, Open Drum, 1/4 HP - MD# B-1.0	1	\$419.00	\$419.00
Folding Propeller for Mixer - MD# 000566	1	\$115.50	\$115.50
			\$0.00
Dayton Drum Hand Truck 800 lb - Md# 6W853	1	\$158.25	\$158.25
Workbench	1	\$320.00	\$320.00
Storage Cabinet	1	\$260.00	\$260.00
5 Shelf Rack	1	\$40.00	\$40.00
Misc Tools	1	\$194.00	\$194.00
Misc Spare Parts (3) Boxes	1	\$450.00	\$450.00
Wood Shipping Crate	2	\$155.00	\$310.00
Wood Pallets	5	\$15.00	\$75.00
24' X 4' X 12' Metal Pallet Racking System	1	\$700.00	\$700.00
30 Gallon Drums (empty)	10	\$31.00	\$310.00
275 Gallon Totes (empty)	5	\$60.00	\$300.00
<i>1 Label Maker and Supplies</i>			\$0.00
Parts Cleaning Fluid w/ microbes (350 gal)	1	\$2,545.00	\$2,545.00
Bio Catalyst Fluid (55 gal)	2	\$250.00	\$500.00
K-Gold Fluid (55 gal)	2	\$850.00	\$1,700.00
Diamond Fluid (55 gal)	2	\$400.00	\$800.00
Emerald Fluid (55 gal)	1	\$450.00	\$450.00
Concentrated Base Fluid (55 gal)	1	\$1,450.00	\$1,450.00
<i>AA 11/10/10 REP 11/10/10 REP 11/10/10 REP 11/10/10 REP</i>			
<i>AP of 11/10/10 REP 11/10/10 REP</i>			
<i>NOT OWNED BY ABT or ABC</i>			
<i>TOTAL</i>			\$36,516.75

EXHIBIT "B"

**TO:**

# Purchase Order

**American Bio-Tech.**

5412 Bolsa Ave. Suite A  
Huntington Beach, CA 92649  
Phone 714-373-1990 Fax 714-373-1991

DATE: NOV. 13, 2009

**FROM:**

Bio-Clean Inc.  
895 Dove St. 3<sup>rd</sup> Floor  
Newport Beach, CA 92660  
Phone # 949-955-7979

**SHIP TO:**

Fulfillment Center  
To be designated at a later date.

**TERMS:** TEN (10%) DEPOSIT DUE JANUARY 2010. BALANCE OF EACH INVOICE DUE ON DELIVERY.

SALESPERSON	P.O. NUMBER	REQUISITIONER	SHIPPED VIA	F.O.B. POINT	TERMS
N/A	111309-1	D. Paisley	Truck	Huntington Beach	See above

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
344,300 Gals.	Gator Green All-Purpose Cleaner – 3:1	\$2.91	\$1,000,000.00

\_\_\_\_\_  
Dale Paisley, CFO

\_\_\_\_\_  
Date

SUBTOTAL	\$1,000,000.00
SALES TAX	\$85,000.00
SHIPPING & HANDLING	Included
<b>TOTAL DUE</b>	<b>\$1,085,000.00</b>

No Sales Tax if Resale License Number Provided.

**Thank you for your business!**

EXHIBIT "C"

LIST OF ASSETS REFERENCED IN PARAGRAPH III.E.

	<u>Item</u>	<u>Value for Accounting Purposes</u>
1.	Five desks	\$ 1,000
2.	Ten chairs	\$ 1,000
3.	One fax machine	\$ 250
4.	Metal racks	\$ 750
5.	Various bio-chemical fluids	\$ 2,000
6.	Proprietary cleaning machines	\$ 30,000
7.	Miscellaneous business assets	<u>\$ 1,000</u>
	TOTAL	\$36,000

EXHIBIT "D"



## ESCROW / ACCOMMODATION AGREEMENT

THIS ESCROW/ACCOMMODATION AGREEMENT ("Agreement") is made and entered into as of April 17, 2010, by and between James E. Shipley, Bio-clean International, Inc., a Nevada corporation (hereinafter "BCLE"), René E. Ponce, American Bio-tech Cleaning, Inc., a Nevada corporation (hereinafter "ABT"), George Roth, Michael Roth, Bio Clean, Inc., a Nevada corporation, ACT Clean Technologies, Inc., a Nevada corporation, and Russell Kidder, on the one hand (hereinafter "Parties of the First Part"), and John P. Finn, Tammy D. Dunn, Donald Wantz and American Bio-clean Corporation, a Nevada corporation (hereinafter "ABC"), on the other hand (hereinafter "Parties of the Second Part"), collectively referred to herein as the "Parties", and ROBERT J. HUSTON III, attorney at law (the "Escrow Holder"), who shall act as the accommodator/escrow holder in order to facilitate the completion of the settlement under the terms and conditions of that certain **SETTLEMENT AGREEMENT AND MUTUAL RELEASE** dated April 17, 2010, executed by and between the Parties and deposited with Mr. Huston as Escrow Holder.

NOW THEREFORE, the parties hereto agree as follows:

1. During the course of this escrow when called upon by Escrow Holder, Parties of the First Part agree to submit to him the following documents:

a. Certificates representing an aggregate of 41% of the issued and outstanding shares of common stock of American Bio-clean Corporation, a Nevada corporation (the "**ABC Stock**" and "**ABC**", respectively), or, in the alternative, in the event that no certificate for said shares has been prepared or is lost, BCLE shall deliver to Escrow Holder an assignment of all of its right, title and interest in and to any claim of right to said shares;

b. A novation agreement accepting BCLE as the obligor under Exhibit "A" to the **SETTLEMENT AGREEMENT AND MUTUAL RELEASE** and releasing ABC from liability therefor; and

c. Resolutions duly adopted by BCLE's Board of Directors and ABT's Board of Directors authorizing the actions of the Escrow Holder set forth herein, and the receipt and disbursement by Escrow Holder of the documents and other tangible things received from Parties of the Second Part to be disbursed for the benefit of Parties of the First Part, representing the performance required of the Parties of the Second Part in accordance with the subject **SETTLEMENT AGREEMENT AND MUTUAL RELEASE**;

2. During the course of this escrow when called upon by Escrow Holder, Parties of the Second Part agree to submit to the Escrow Holder the following documents and tangible things:

a. An original of the **SETTLEMENT AGREEMENT AND MUTUAL RELEASE** executed with the Parties of the First Part referenced above;

b. The performance called for under the subject **SETTLEMENT AGREEMENT AND MUTUAL RELEASE** consisting of (i) the original copy of Exhibit "B" to the **SETTLEMENT AGREEMENT AND MUTUAL RELEASE** (the "BOCL" purchase order), duly assigned to BCLE; (ii) all of the financial and legal books and records of ABT in their possession or under their control, including such books and records as may be in electronic form, retaining no copies, including those deemed necessary by Manu Ohri, CPA for the preparation of auditable financial statements for ABT.

c. Resolutions duly adopted by ABC's Board of Directors authorizing the actions of the Escrow Holder set forth herein, and the receipt and disbursement by Escrow Holder of the documents and other tangible things received from Parties of the First Part to be disbursed for the benefit of Parties of the Second Part, representing the performance required of the Parties of the First Part in accordance with the subject **SETTLEMENT AGREEMENT AND MUTUAL RELEASE**;

Delivery of the items specified above shall be made on or before April \_\_\_\_, 2010 at 5:00 PM. Any and all additional or amended instructions to the Escrow Holder must be in writing and signed by both parties. Without such instructions signed by both parties, Escrow Holder shall have no obligation to perform any actions or duties not specifically required by the express terms of this agreement, or as required by law.

4. The term of this escrow shall be 45 days maximum from the date hereof.

5. In the event that either Party fails to complete this transaction or fulfill the terms of the **SETTLEMENT AGREEMENT AND MUTUAL RELEASE**, or at the end of the 45 day escrow period, Escrow Holder shall return to the respective Parties the aforementioned documents and tangible things placed in this escrow. Upon such delivery, Escrow Holder shall be relieved of all responsibility and liability.

6. It is understood that the Escrow Holder's fees shall be paid solely by Party of the First Part.

7. The duties and obligations of Escrow Holder with respect of said deposits into Escrow are fully set forth herein, and Escrow Holder shall have no further obligations under this Escrow/Accommodation Agreement, including but not limited to verification of accuracy of any documents submitted.

8. In the event that any dispute arises under the terms of this Agreement, the parties agree that dispute shall be taken to the American Arbitration Association in Orange County, California, in accordance with the rules for binding arbitration and final determination as set forth below. The prevailing party shall be entitled to attorney fees and costs as determined by said Arbitration panel.

9. No provision of this agreement shall be construed to be a waiver, amendment, modification, or notation of any other provision of any other contract between the parties, and the terms and conditions set forth herein are for purposes of the sole and single transaction described herein.

10. In performing any of its duties hereunder, the Escrow Holder shall not incur any liability to anyone for any damages, losses or expenses, except for willful default or negligence and he shall, accordingly, not incur any such liability with respect to (a) any action taken or omitted in good faith upon advice of his counsel or counsel for either of the parties given with respect to any questions relating to the duties and responsibilities of the Escrow Holder under this Agreement, and (b) any action taken or omitted in reliance upon any instrument, including the written advice provided for herein, not only as to the execution, validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which the Escrow Holder shall in good faith believe to be genuine, to have been signed and presented by a proper person or persons, and to be in compliance with the provisions of this Agreement.

11. The Parties hereby agree to indemnify and hold harmless Robert J. Huston III against any and all losses, claims, damages, liabilities and expenses, including reasonable costs of investigation and counsel fees and court costs, which may be imposed on or incurred by Robert J. Huston III in connection with his acceptance of appointment as Escrow Holder hereunder or the performance of his duties hereunder, except losses occasioned by the negligence or willful misconduct of Robert J. Huston III, including any litigation arising from this Agreement or involving the subject matter hereof.

12. The Parties acknowledge that they are aware that Robert J. Huston III is an attorney at law and a member of the State Bar of California and has acted as an attorney for BCLE and its principal, James E. Shipley, in this transaction and prior transactions. To the extent that it may be considered a conflict of interest for Mr. Huston to act as Escrow Holder herein, the Parties waive that conflict and accept him as Escrow Holder, subject to all the terms and conditions set forth herein.

13. All notices, demands, or requests required or authorized hereunder shall be deemed given sufficiently if in writing and sent by registered mail or certified mail, return receipt requested and postage prepaid, as follows:

to Parties of the First Part: James E. Shipley  
16458 Bolsa Chica Road, # 419  
Huntington Beach, CA 92649

to Parties of the Second Part: John P. Finn  
1445 South Allec Street  
Anaheim, CA 92805

To Escrow Holder: Robert J. Huston III, Esq.  
P.O. Box 235  
Corona del Mar, CA 92625

or to such other address as such party shall have specified by notice in writing to the other parties.

13. The validity, interpretation and construction of this Agreement and each party hereto shall be governed by the laws of the State of California.

14. Governing Law. This Agreement was negotiated, and shall be governed by the laws of California, notwithstanding any conflict-of-law provision to the contrary. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall not be adjudicated by litigation, but rather be settled by binding arbitration in Orange County, California in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

15. All Parties represent and warrant that the named signatories hereto are now acting and qualified to sign on behalf of each entity all written instructions, consents, waivers, notices, documents, instruments and certificates of the Parties, in accordance with and as provided in the bylaws of the Parties as applicable; that the specimen signatures appearing opposite the names

and titles set forth below are the genuine signatures of such representative and that said representatives hold the titles of as described below. The Escrow Holder is further authorized to recognize these signatures in receiving any instructions or amendments hereto, all of which must be executed by at least one representative of Buyer and of Seller signing together, until Escrow Holder receives written instructions to the contrary from the Parties.

16. Execution in Several Counterparts. This Agreement may be executed in several counterparts or by separate instruments and all of such counterparts and instruments shall constitute one agreement, binding on all of the parties hereto.

17. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings (written or oral) of the parties in connection herewith.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**THE FOREGOING IS APPROVED AND AGREED:**

Dated: BIO-CLEAN INTERNATIONAL, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated: AMERICAN BIO-TECH CLEANING, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated: BIO CLEAN, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

ACT CLEAN TECHNOLOGIES, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

AMERICAN BIO-CLEAN CORPORATION

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its (Title): \_\_\_\_\_

Dated:

\_\_\_\_\_  
JAMES E. SHIPLEY

Dated:

\_\_\_\_\_  
RENE PONCÉ

Dated:

\_\_\_\_\_  
GEORGE ROTH

Dated:

\_\_\_\_\_  
MICHAEL ROTH

Dated:

\_\_\_\_\_  
RUSSELL KIDDER

Dated:

\_\_\_\_\_  
JOHN P. FINN

Dated:

\_\_\_\_\_  
TAMMY D. DUNN

Dated:

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DONALD WANTZ

Dated:

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ROBERT J. HUSTON III