

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated the [] day of [], 20[] ("Escrow Agreement") is by and among Environmental Solutions Worldwide, Inc. a Florida corporation ("Issuer"), and the subscribers listed on the signature pages hereto (each a "Subscriber" and, collectively, the "Subscribers"), and BARATTA, BARATTA & AIDALA, as Escrow Agent hereunder ("Escrow Agent" or "BB&A").

BACKGROUND

A. In accordance with each Subscription Agreement (as hereinafter defined) as the same may be amended and/or supplemented from time to time, each Subscriber for Debentures (as hereinafter defined) will be required to submit full payment for their respective investment at the time each executes a Subscription Agreement and the closing conditions under each such Subscription Agreement is satisfied.

B. All payments received by the Issuer connection with subscriptions for Debentures shall be promptly forwarded to the Escrow Agent, and the Escrow Agent has agreed to accept, hold, and disburse such funds deposited with it in accordance with the terms of this Escrow Agreement.

C. In order to establish the escrow of funds and to effect the consummation of the transaction contemplated by the Subscription Agreements, the parties hereto have entered into this Escrow Agreement.

STATEMENT OF AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Definitions. The following terms shall have the following meanings when used herein:

"Cash Investment" shall mean the amount of Debentures purchased by any Subscriber as set forth in a particular Subscription Agreement.

"Cash Investment Instrument" shall mean a wire transfer or other immediately available funds paid to the "Baratta Baratta & Aidala, Special Escrow Account", in full payment for the Debenture to be purchased by any Subscriber.

"Debentures" shall have the meaning set forth in the Subscription Agreement.

"Escrow Funds" shall mean the funds deposited with the Escrow Agent pursuant to this Agreement by each Subscriber, together with any interest and other income thereon.

“Securities Purchase Accounting” shall mean an accounting of all subscriptions by the Subscribers for the Debentures received and accepted by the Issuer as of the date of such accounting, indicating for each subscription the Subscriber's name and address, the number and total purchase price of the Debentures, the date of receipt by the Issuer and/or the Escrow Agent of the Cash Investment Instrument, and notations of any nonpayment of the Cash Investment Instrument submitted with such subscription, any withdrawal of such subscription by such Subscriber, any rejection of such subscription by the Issuer, or other termination, for whatever reason, of such subscription.

“Subscription Agreement” shall mean each Subscription Agreement by and between the Issuer and each Subscriber as the same may be delivered from time to time to the Escrow Agent.

2. Appointment of and Acceptance by Escrow Agent. Issuer and each Subscriber hereby appoints the Escrow Agent to serve as escrow agent hereunder, and the Escrow Agent hereby accepts such appointment in accordance with the terms of this Escrow Agreement.

3. Deposits into Escrow.

a. Upon receipt of any Cash Investment Instrument for the purchase of Debentures, forwarded to the Escrow Agent, said instrument or cash will be deposited in the following escrow account:

HSBC Bank, N.A.
550 Seventh Ave
New York, NY 10036
Credit to the Account of: Baratta Baratta & Aidala, Special Escrow Account
ABA Routing No. 021001088
ACCT No. 007-919751

Each such deposit shall be accompanied by the following documents:

- (1) a report containing such Subscriber's name, taxpayer identification number (if applicable), address and other information required for withholding purposes; and
- (2) Securities Purchase Accounting will be provided by the Escrow Agent upon request of any Subscriber and/or the Issuer.

ALL FUNDS SO DEPOSITED SHALL REMAIN THE PROPERTY OF EACH SUBSCRIBER ACCORDING TO THEIR RESPECTIVE INTERESTS AND SHALL NOT BE SUBJECT TO ANY LIEN

OR CHARGE BY ESCROW AGENT OR BY JUDGMENT OR CREDITORS' CLAIMS AGAINST ISSUER UNTIL RELEASED TO THE ISSUER IN ACCORDANCE WITH SECTION 4(a) HEREOF.

b. The Issuer understands and agrees that all checks and similar instruments received by Escrow Agent hereunder are subject to collection requirements of presentment and final payment, and that the funds represented thereby cannot be drawn upon or disbursed until such time as final payment has been made and is no longer subject to dishonor. Upon receipt, Escrow Agent shall process each Cash Investment Instrument for collection, and the proceeds thereof shall be held as part of the Escrow Funds until disbursed in accordance with Section 4 hereof. If, upon presentment for payment, any Cash Investment Instrument is dishonored, Escrow Agent's sole obligation shall be to notify Issuer of such dishonor and to return such Cash Investment Instrument to Issuer to take whatever action it deems necessary. Notwithstanding the foregoing, if for any reason any Cash Investment Instrument is uncollectible after payment of the funds represented thereby has been made by Escrow Agent, Issuer shall immediately reimburse Escrow Agent upon receipt from Escrow Agent of written notice thereof.

Upon receipt of any Cash Investment Instrument that represents payment less than or greater than the Cash Investment, the Escrow Agent's sole obligation shall be to notify the Issuer of such fact and to return such Cash Investment Instrument to such Subscriber.

c. All Cash Investment Instruments shall be made payable to the order of, or endorsed to the order of, or endorsed to the order of, "Baratta Baratta & Aidala, ESWW Special Escrow Account", and the Escrow Agent shall not be obligated to accept, or present for payment any Cash Investment Instrument that is not payable or endorsed in that manner.

4. Disbursements of Escrow Funds.

a. Completion of Closing. Subject to the provisions of Section 10 hereof, the Escrow Agent shall notify the Issuer to make arrangements to deliver the Debentures to the Subscribers and shall pay to the Issuer the value of the Escrow Funds (amount deposited less any reasonable fees and commissions not to exceed \$250.00 without the prior written consent of the Issuer and each Subscriber), by wire transfer or check at the Escrow Agent's discretion, no later than two (2) business days following receipt of all of the following documents or results of accounting, as applicable:

- (1) Securities Purchase Accounting, substantiating the sale of up to \$[] in the offering by the Issuer of Debentures; provided, that the Securities Purchase Accounting substantiates a minimum sale of \$[] of Debentures by the Issuer;
- (2) Subscription Agreements signed by all parties;
- (3) Debentures signed and delivered by the Issuer in an aggregate principal amount of \$[] or greater;

- (4) Such other instruments, documents, agreements, opinions or certificates that a Subscriber has informed the Issuer and the Escrow Agent it is requesting; and
- (5) Such other certificates, notices or other documents as Escrow Agent, in its discretion, shall reasonably require.

Notwithstanding the foregoing, a Subscriber, in writing, may at any time permit the Escrow Agent to disburse such Subscriber's portion of Escrow Funds to the Issuer. Additionally, the Escrow Agent shall not be obligated to notify the Issuer to make arrangements to issue the Debentures to the Subscriber and the Escrow Funds to the Issuer if the Escrow Agent has grounds to believe that any of the certifications and opinions set forth in the documents or accounting referred to in Section 4 are incorrect or incomplete. Prior to disbursing any Escrow Funds, the Escrow Agent shall be entitled, in its reasonable discretion, to require any additional written certificates or authorizations that it deems necessary or desirable.

b. Rejection of any Subscription or termination of the Offering. No later than two (2) business days after receipt by the Escrow Agent of written notice (i) from the Issuer that the Issuer intends to reject a Subscriber's subscription, or (ii) from the Issuer that there will be no closing of the sale of Debentures to the Subscribers, the Escrow Agent shall pay to each Subscriber, by regular check or wire, the applicable amount of the Cash Investment paid by each Subscriber, and without deduction (except in the case of a wire, when all applicable bank costs for wires will be deducted).

c. Expiration of Offering Period. Notwithstanding anything to the contrary contained herein, if the Escrow Agent shall not have received a notice of completion of the offering of the Debentures on or before [], 20[], the Escrow Agent shall, within five (5) business days after such date and without any further instruction or direction from the Issuer, return to each Subscriber, by attorney or bank check and by first class mail, the Cash Investment made by such Subscriber without deduction. The foregoing is subject to extension of the offering period by the Issuer; provided, that written notice is given to the Escrow Agent.

5. Suspension of Performance or Disbursement Into Court. If, at any time, there shall exist any dispute between or among the Issuer, the Escrow Agent, any Subscriber or any other person with respect to the holding or disposition of any portion of the Escrow Funds or any other obligations of Escrow Agent hereunder, or if at any time Escrow Agent is unable to determine, to Escrow Agent's sole satisfaction, the release of any portion of the Escrow Funds in accordance with this Agreement or the Escrow Agent's proper actions with respect to its obligations hereunder, or if the Issuer has not within 30 days of the furnishing by the Escrow Agent of a notice of resignation pursuant to Section 7 hereof appointed a successor Escrow Agent to act hereunder, then the Escrow Agent may, in its sole discretion, take either or both of the following actions:

a. suspend the performance of any of its obligations under this Escrow Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of the

Escrow Agent or until a successor Escrow Agent shall have been appointed (as the case may be); and/or

b. petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction in New York, New York, for instructions with respect to such dispute or uncertainty, and pay into such court all funds held by it for holding and disposition in accordance with the instructions of such court.

The Escrow Agent shall have no liability to the Issuer, any Subscriber or any other person with respect to any such suspension of performance or disbursement into court, specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in the disbursement of funds held in the Escrow Funds or any delay in or with respect to any other action required or requested of the Escrow Agent.

6. Investment of Funds. The Escrow Agent shall not invest or reinvest the Escrow Funds. Subject to Section 4, the parties to this Escrow Agreement acknowledge that no interest shall accrue or be paid with respect to the Escrow Funds.

7. Resignation and Removal of Escrow Agent. Escrow Agent may resign from the performance of its duties hereunder at any time by giving ten (10) days' prior written notice to the Issuer or may be removed, with or without cause by the Issuer and a majority of the Subscribers, acting jointly at any time by the giving of ten (10) days' prior written notice to the Escrow Agent. Such resignation or removal shall take effect upon the appointment of a successor Escrow Agent as provided herein below. Upon any such notice of resignation or removal, the Issuer shall appoint a successor Escrow Agent hereunder, which shall be a commercial bank, trust company or other financial institution with a combined capital and surplus in excess of \$100,000,000. Upon the acceptance in writing of any appointment as the Escrow Agent hereunder by a successor Escrow Agent, such successor Escrow Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Escrow Agent, and the retiring Escrow Agent shall be discharged from its duties and obligations under this Escrow Agreement, but shall not be discharged from any liability for actions taken as escrow agent hereunder prior to such succession. After any retiring Escrow Agent's resignation or removal, the provisions of this Escrow Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Escrow Agent under this Escrow Agreement.

8. Liability of Escrow Agent.

a. The Escrow Agent shall have no liability or obligation with respect to the Escrow Funds except for Escrow Agent's willful misconduct, gross negligence or a breach of any of the representations and warranties set forth in Section 11d. Escrow Agent's sole responsibility shall be for the safekeeping and disbursement of the Escrow Funds in accordance with the terms of this Escrow Agreement. Escrow Agent shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. The Escrow Agent may rely upon any instrument, whether bearing original, conformed

or facsimile signatures, not only as to its due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein which the Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by the person or parties purporting to sign the same and to conform to the provisions of this Escrow Agreement. In no event shall the Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages. The Escrow Agent shall not be obligated to take any legal action or commence any proceeding in connection with the Escrow Funds or any account in which Escrow Funds are deposited or this Escrow Agreement, or to appear in, prosecute or defend any such legal action or proceeding. Without limiting the generality of the foregoing, the Escrow Agent shall not be responsible for or required to enforce any of the terms or conditions of any subscription agreement with any Subscriber or any other agreement between Issuer, and/or any Subscriber. The Escrow Agent shall not be responsible or liable in any manner for the performance by the Issuer or any Subscriber of their respective obligations under any subscription agreement nor shall the Escrow Agent be responsible or liable in any manner for the failure of the Issuer, or any third party (including any Subscriber) to honor any of the provisions of this Escrow Agreement. The Escrow Agent may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions hereof or of any other agreement or of its duties hereunder and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the opinion or instruction of such counsel. The Issuer shall promptly pay, upon demand, the reasonable fees and expenses of any such counsel. Under no circumstances shall the Escrow Agent be responsible for the insurance of funds deposited and maintained in escrow.

b. The Escrow Agent is authorized, in its sole discretion, to comply with orders issued or process entered by any court with respect to the Escrow Funds, without determination by the Escrow Agent of such court's jurisdiction in the matter. If any portion of the Escrow Funds is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Escrow Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Escrow Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

9. Indemnification of Escrow Agent. From and at all times after the date of this Escrow Agreement, the Issuer (the "Indemnifying Party") shall, to the fullest extent permitted by law, indemnify and hold harmless the Escrow Agent and each director, officer, employee, attorney, agent and affiliate of Escrow Agent (collectively, the "Indemnified Parties") against any and all actions, claims (whether or not valid), losses, damages, liabilities, costs and expenses of any kind or nature whatsoever (including, without limitation, the reasonable attorneys' fees, costs and expenses) incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct or indirect, as a result of any claim, demand, suit, action or

proceeding (including any inquiry or investigation) by any person, including, without limitation, the Issuer, whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person under any statute or regulation, including, but not limited to, any federal or state securities laws, or under any common law or equitable cause or otherwise, arising from or in connection with the negotiation, preparation, execution, performance or failure of performance of this Escrow Agreement, the Transaction Documents as defined in the Subscription Agreement, or any transactions contemplated herein, whether or not any such Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation; provided, however, that no Indemnified Party shall have the right to be indemnified hereunder for any liability finally determined by a court of competent jurisdiction, subject to no further appeal, to have resulted solely from the gross negligence or willful misconduct of such Indemnified Party or a breach of any of the representations and warranties set forth in Section 11d. If any such action or claim shall be brought or asserted against any Indemnified Party, such Indemnified Party shall promptly notify the Indemnifying Party in writing, and the Indemnifying Party shall assume the defense thereof, including the employment of counsel satisfactory to the Indemnified Party and the payment of all expenses. Such Indemnified Party shall, in its sole discretion, have the right to employ separate counsel (who may be selected by such Indemnified Party in its sole discretion) in any such action and to participate in the defense thereof, and the fees and expenses of such counsel shall be paid by such Indemnified Party, except that the Indemnifying Party shall be required to pay such fees and expenses if (a) the Indemnifying Party agrees to pay such fees and expenses, (b) the Indemnifying Party shall fail to assume the defense of such action or proceeding or shall fail, in the reasonable discretion of such Indemnified Party, to employ counsel satisfactory to the Indemnified Party in any such action or proceeding, (c) the Indemnifying Party is the plaintiff in any such action or proceeding, or (d) the named parties to any such action or proceeding (including any impleaded parties) include both Indemnified Party and the Indemnifying Party, and Indemnified Party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to Issuer. The Issuer shall be liable to pay fees and expenses of counsel pursuant to the preceding sentence. All such fees and expenses payable by the Indemnifying Party pursuant to the foregoing sentence shall be paid from time to time as incurred, both in advance of and after the final disposition of such action or claim. The obligations of each Indemnifying Party under this Section 9 shall survive any termination of this Escrow Agreement and the resignation or removal of Escrow Agent.

10. Compensation to Escrow Agent.

a. Fees and Expenses. Issuer shall compensate the Escrow Agent for its services hereunder by making payment of the sum of \$5,000, which will be payable upon closing of the offering. The obligations of Issuer under this Section 10 shall survive any termination of this Escrow Agreement and the resignation or removal of Escrow Agent.

b. Disbursements from Escrow Funds to Pay Escrow Agent. The Escrow Agent is authorized to and may disburse from time to time, to itself or to any Indemnified Party from

the Escrow Funds (to the extent of the Issuer's rights thereto), the amount of any compensation and reimbursement of out-of-pocket expenses due and payable hereunder and any amount to which the Escrow Agent or any Indemnified Party is entitled to seek indemnification pursuant to Section 9 hereof. Escrow Agent shall notify the Issuer and each Subscriber of any disbursement from the Escrow Funds to itself or to any Indemnified Party in respect of any compensation or reimbursement hereunder and shall furnish to Issuer and each Subscriber copies of all related documentation, invoices and other statements.

11. Representations and Warranties.

a. Issuer makes the following representations and warranties to all parties:

(1) Issuer is a corporation duly existing, and in good standing under the laws of the State of Florida and has full power and authority to execute and deliver this Escrow Agreement and to perform its obligations hereunder.

(2) This Escrow Agreement has been duly approved by all necessary corporate action of the Issuer, has been executed by duly authorized officers of the Issuer, and constitutes a valid and binding agreement of Issuer, enforceable in accordance with its terms.

(3) The execution, delivery, and performance by Issuer of this Escrow Agreement will not violate, conflict with, or cause a default under the certificate of incorporation or bylaws of Issuer, any applicable law or regulation, any court order or administrative ruling or decree to which Issuer is a party or any of its property is subject, or any agreement, contract, indenture, or other binding arrangement to which Issuer is a party or any of its property is subject.

(4) No party other than the parties hereto and the prospective Subscribers have, or shall have, any lien, claim or security interest in the Escrow Funds or any part thereof. No financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the Escrow Funds or any part thereof.

(5) The Issuer hereby acknowledges that the status of the Escrow Agent is that of agent only for the limited purposes set forth herein, and hereby represents and covenants that no representation or implication shall be made that the Escrow Agent has investigated the desirability or advisability of investment in the Debentures or has approved, endorsed or passed upon the merits of the investment therein and that the name of the Escrow Agent has not and shall not be used in any manner in connection with the offer or sale of the Debentures other than to state that the Escrow Agent has agreed to serve as escrow agent for the limited purposes set forth herein.

(6) The Issuer has been provided sufficient opportunity to have independent legal counsel review and advise Issuer of the terms of this Escrow Agreement prior to entering into same.

(7) All of the representations and warranties of Issuer contained herein are true and complete as of the date hereof and will be true and complete at the time of any deposit to or disbursement from the Escrow Funds.

b. Each Subscriber makes the following representations and warranties to all parties:

(1) Such Subscriber has full power and authority to execute and deliver this Escrow Agreement and to perform its obligations hereunder.

(2) This Escrow Agreement has been duly approved by all necessary action of such Subscriber, has been executed by persons duly authorized by such Subscriber, and constitutes a valid and binding agreement of such Subscriber, enforceable in accordance with its terms.

(3) The execution, delivery, and performance by such Subscriber of this Escrow Agreement will not violate, conflict with, or cause a default under the organizational or governing documents of such Subscriber and, to such Subscriber's knowledge, any applicable law or regulation, any court order or administrative ruling or decree to which such Subscriber is a party or any of its property is subject, or any material agreement, contract, indenture, or other binding arrangement to which such Subscriber is a party or any of its property is subject.

(4) Such Subscriber hereby acknowledges that the status of the Escrow Agent is that of agent only for the limited purposes set forth herein, and hereby represents and covenants that no representation or implication shall be made that the Escrow Agent has investigated the desirability or advisability of the investment or has approved, endorsed or passed upon the merits of the investment therein and that the name of the Escrow Agent has not and shall not be used in any manner in connection with the offer or sale of the Debentures other than to state that the Escrow Agent has agreed to serve as escrow agent for the limited purposes set forth herein.

(5) Such Subscriber has been provided sufficient opportunity to have independent legal counsel review and advise such Subscriber of the terms of this Escrow Agreement and related Transaction Documents prior to entering into same.

c. The Issuer makes the following representations and warranties to Escrow Agent:

(1) The deposit with Escrow Agent by Issuer of Cash Investment Instruments pursuant to Section 3 hereof shall be deemed a representation and warranty by Issuer that such Cash Investment Instrument represents a bona fide sale to such Subscriber described of the amount of the Debentures and set forth therein, subject to and in accordance with the terms of such applicable Subscription Agreement.

(2) All of the representations and warranties of the Issuer contained herein are true and complete as of the date hereof and will be true and complete at the time of any deposit to or disbursement from the Escrow Funds.

d. The Escrow Agent makes the following representations and warranties to all parties:

(1) The Escrow Agent has full power and authority to execute and deliver this Escrow Agreement and to perform its obligations hereunder.

(2) This Escrow Agreement has been duly approved by all necessary action of the Escrow Agent, including any necessary partnership approval, has been executed by persons duly authorized by the Escrow Agent, and constitutes a valid and binding agreement of the Escrow Agent, enforceable in accordance with its terms.

(3) The execution, delivery, and performance by the Escrow Agent of this Escrow Agreement will not violate, conflict with, or cause a default under the organizational or governing documents of the Escrow Agent and, to the Escrow Agent's knowledge, any applicable law or regulation, any court order or administrative ruling or decree to which the Escrow Agent is a party or any of its property is subject.

12. Consent to Jurisdiction and Venue. In the event any party hereto commences, a lawsuit or other proceeding relating to or arising from this Agreement, the parties hereto agree that the United States District Court for the Southern District of New York shall have the sole and exclusive jurisdiction over any such proceeding. If all such courts lack federal subject matter jurisdiction, the parties agree that the Supreme Court in the State of New York, County of New York shall have sole and exclusive jurisdiction. Any of these courts shall be proper venue for any such lawsuit or judicial proceeding and the parties hereto waive any objection to such venue. The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein and agree to accept service or process to vest personal jurisdiction over them in any of these courts.

13. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been validly served, given or delivered five (5) days after deposit in the United States mails, by certified mail with return receipt requested and postage prepaid, when delivered personally, one (1) day after delivery to any overnight courier, or when transmitted by facsimile transmission facilities, and addressed to the party to be notified as follows:

If to Issuer, at: Environmental Solutions Worldwide, Inc.
335 Connie Crescent
Ontario, L4K 5R2 Canada

If to the Escrow Agent, at: Baratta Baratta & Aidala LLP
546 Fifth Avenue

New York, New York 10036
Telephone: (212)-750-9700
Facsimile: (212)-750-8297

If to Subscriber, at: The address set forth at the end
of this Escrow Agreement

or to such other address as each party may designate for itself by like notice.

14. Amendment or Waiver. This Escrow Agreement may be changed, waived, discharged or terminated only by a writing signed by Issuer, the Subscribers who have subscribed for a majority of the Debentures and the Escrow Agent. No delay or omission by any party in exercising any right with respect hereto shall operate as a waiver. A waiver on any one occasion shall not be construed as a bar to, or waiver of, any right or remedy on any future occasion.

15. Severability. To the extent any provision of this Escrow Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Escrow Agreement.

16. Governing Law. This Escrow Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without giving effect to the principles or rules governing conflict of laws.

17. Entire Agreement. This Escrow Agreement constitutes the entire agreement among the parties relating to the acceptance, collection, holding, investment and disbursement of the Escrow Funds and sets forth in their entirety the obligations and duties of the Escrow Agent with respect to the Escrow Funds.

18. Binding Effect. All of the terms of this Escrow Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of Issuer, Subscribers and Escrow Agent.

19. Execution in Counterparts. This Escrow Agreement may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement.

20. Termination. Upon the first to occur of the disbursement of all amounts in the Escrow Funds or deposit of all amounts in the Escrow Funds into court pursuant to Section 5 hereof, this Escrow Agreement shall terminate and Escrow Agent shall have no further obligation or liability whatsoever with respect to this Escrow Agreement or the Escrow Funds.

21. Dealings. The Escrow Agent and any stockholder, director, officer or employee of the Escrow Agent may buy, sell, and deal in any of the securities of the Issuer and become pecuniarily interested in any transaction in which the Issuer may be interested, and contract and lend money to the Issuer and otherwise act as fully and freely as though it were not Escrow Agent under this Agreement. Nothing herein shall preclude the Escrow Agent from acting in any other capacity for the Issuer or any other person or entity.

22. The parties understand that the firm of BB&A has acted as counsel to Issuer, and in the event of any dispute with respect to the Subscription Agreement or related Transaction Documents, will not be prevented from acting as counsel for the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed under seal as of the date first above written.

ISSUER: ENVIRONMENTAL SOLUTIONS
WORLDWIDE, INC.

By:

Title:

ESCROW AGENT: BARATTA, BARATTA & AIDALA
as Escrow Agent

By:

Title:

as Subscriber

By:

Title:

Address for Notice
Pursuant to
Section 13: _____

