SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) August 31, 2000

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-11596	58-1954497
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1940 N.W. 67th Place, Suite A, Gainesville, Florida	32653
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (352) 373-4200

Not applicable
(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets.

On May 16, 2000, Perma-Fix Environmental Services, Inc. (the "Company"), and Waste Management Holdings, Inc., a Delaware corporation ("Waste Management Holdings"), entered into a Stock Purchase Agreement which was subsequently amended on August 31, 2000 (together, the "Stock Purchase Agreement"), wherein the Company agreed to purchase all of the outstanding capital stock of Diversified Scientific Services, Inc. ("DSSI") from Waste Management Holdings, Inc. ("Waste Management Holdings") pursuant to the terms of the Stock Purchase Agreement,

On August 31, 2000, the conditions precedent to closing of the Stock Purchase Agreement were completed and the Stock Purchase Agreement was consummated.

Under the terms of the Stock Purchase Agreement, the purchase price paid by the Company in connection with the DSSI acquisition was $8,500,000, consisting of delivery of the following:

* $2,500,000 in cash at closing;

* a guaranteed promissory note (the "Guaranteed Note"), guaranteed by DSSI, with the DSSI guarantee secured by certain assets of DSSI (except for accounts, accounts receivables, general intangibles, contract rights, cash, real property, and proceeds thereof), executed by the Company in favor of Waste Management Holdings in the aggregate principal amount of $2,500,000, and bearing interest at a rate of equal to the prime rate charged on August 30, 2000, as published in the Wall Street Journal plus 1.75% per annum and having a term of the lesser of 120 days from August 31, 2000, or the business day before the date that the Company acquires any entity or substantially all of the assets of an entity (the "Guaranteed Note Maturity Date"), with interest and principal due in a lump sum at the end of the Guaranteed Note Maturity Date; and

* an unsecured promissory note (the "Unsecured Promissory Note"), executed by the Company in favor of Waste Management Holdings in the aggregate principal amount of $3,500,000, and bearing interest at a rate of 7% per annum and having a five year term with interest to be paid annually and principal due at the end of the term of the Unsecured Promissory Note.

The principal business of DSSI, conducted at its facility in Kingston, Tennessee, is the permitted transportation, storage and treatment of hazardous waste and mixed waste (waste containing both low level radioactive and hazardous waste) and the disposal of or recycling of mixed waste in DSSI's treatment unit located at DSSI's facility. The Company intends to continue using the DSSI facility for substantially the same purposes as such was being used prior to the acquisition by the Company.

The cash portion of the purchase price for DSSI was obtained pursuant to the terms of a short term bridge loan agreement (the "$3,000,000 RBB Loan Agreement") with RBB Bank Aktiengesellschaft,

a bank organized under the laws of Austria ("RBB Bank"), whereby RBB Bank loaned (the "$3,000,000 RBB Loan") the Company the aggregate principal amount of $3,000,000, as evidenced by a Promissory Note (the "$3,000,000 RBB Promissory Note") in the face amount of $3,000,000, having a maturity date of November 29, 2000 and bearing an annual interest rate of 12%. See Item 5 below for a discussion of warrants for the purchase of, or issuance of, the Company's common stock issued or which may be issued to RBB Bank as a result of the $3,000,000 RBB Loan.

Item 5. Other Events.

In connection with the acquisition of DSSI, effective August 31, 2000, Congress Financial Corporation (Florida) ("Congress"), the Company's principal lender, and the Company's subsidiaries, including DSSI (which, when acquired by the Company, would be a wholly owned subsidiary of the Company) entered into a Second Amendment and Joinder to Loan and Security Agreement (the "Loan

Amendment") dated August 31, 2000, pursuant to which the Loan and Security Agreement, as amended ("Loan Agreement") among Congress, the Company and the Company's subsidiaries was amended to provide, among other things:

* the credit line shall be increased from $11,000,000 to $12,000,000; and

* DSSI shall be added as co-borrower under the Loan Agreement, as amended.

Immediately after the closing of the Stock Purchase Agreement, the Company's availability under the revolving line of credit of the Loan Agreement, as amended, was approximately $1.9 million, less certain reserve requirements as set forth in the Loan Agreement, as amended. As security for the payment and performance of the Loan Agreement, as amended, the Company and its subsidiaries (including DSSI) have granted a first security interest in all accounts receivable, inventory, general intangibles, equipment and certain of their other assets, as well as the mortgage on two facilities owned by subsidiaries of the Company, and except for

* certain real property owned by Perma-Fix of Michigan, Inc. (formerly known as Chem-Met Services, Inc.) ("PFMI"), for which a first security interest is held by The Thomas P. Sullivan Living Trust, dated September 6, 1978 and The Ann L. Sullivan Living Trust, dated September 6, 1978, as security for PFMI's non-recourse guaranty of the payment of certain promissory notes, and

* DSSI's plant, equipment, and proceeds thereof, for which a first security interest is held by Waste Management Holdings in connection with the Guaranteed Promissory Note.

In connection with the $3,000,000 RBB Loan, discussed under Item 2 of this report, the Company paid RBB Bank a fee of $15,000 and issued RBB Bank certain warrants (the "Initial RBB Loan Warrants"), having a term of three (3) years, allowing the purchase of up to 150,000 shares of the Company's Common Stock, par value $.001 per share (the "Common Stock"), at an exercise price of $1.50 per share, with these warrants containing a cashless exercise provision.

Pursuant to the terms of the $3,000,000 RBB Loan Agreement, if all principal and accrued and unpaid interest under the $3,000,000 RBB Promissory Note is not paid in full by 5:00 p.m. New York time

on October 30, 2000, then the Company shall issue to RBB Bank certain additional warrants, having a term of three (3) years, allowing the purchase of up to an additional 5,000 shares of Common Stock for each $100,000 of unpaid principal remaining under the Promissory Note on such date, at an exercise price equal to the closing market price of the Common Stock on the National Association of Security Dealers Automated Quotation SmallCap market system ("NASDAQ") on October 30, 2000, with such warrants containing a cashless exercise provision.

Pursuant to the terms of the $3,000,000 RBB Loan Agreement, if all principal and accrued and unpaid interest under the $3,000,000 RBB Promissory Note is not paid in full by 5:00 p.m. New York time on November 29, 2000, then the Company shall issue to RBB Bank a certain number of shares of Common Stock, with the number of

shares determined by dividing $300,000 by the closing market price of the Common Stock on the NASDAQ on such date, if shares of Common Stock have been traded on the NASDAQ on such date, or on the most recent trading date, if shares of Common Stock have not been traded on the NASDAQ on such date;

Pursuant to the terms of the $3,000,000 RBB Loan Agreement, if all principal and accrued and unpaid interest under the $3,000,000 RBB Promissory Note is not paid in full by 5:00 p.m. New York time on the 29th day of each month after November 2000, then the Company shall issue to RBB Bank a certain additional number of shares of Common Stock, with the number of shares determined by dividing $300,000 by the closing market price of the Common Stock on the NASDAQ on such date, if shares of Common Stock have been traded on the NASDAQ on such date, or on the most recent trading date, if shares of Common Stock have not been traded on the NASDAQ on such date.

RBB Bank could acquire additional warrants to purchase Common Stock in connection with a previous loan agreement (the "Previous RBB Loan Agreement") among the Company, Perma-Fix of Michigan, Inc. ("PFMI") and RBB Bank, which was entered into on or about July 14, 2000, the Company and PFMI entered into the RBB Letter Agreement, pursuant to which RBB Bank loaned $750,000 to PFMI, as evidenced by a Promissory Note (the "Previous RBB Note"), having a term until December 31, 2000, in the aggregate principal amount of $750,000, at an annual rate of 10% interest thereon with accrued interest and principal due in full upon the earlier of (i) December 31, 2000 and (ii) the Company entering into a private placement of its securities yielding in excess of $3,000,000 to the Company.

The Previous RBB Loan Agreement provides that if all principal and accrued and unpaid interest under the Previous RBB Note is not paid in full by 5:00 p.m. New York time on

* September 1, 2000, then the Company shall issue to RBB Bank a five (5) year warrant to purchase up to 100,000 shares of Common Stock at an exercise price equal to the closing market price of the Common Stock on the NASDAQ on September 1, 2000,

* October 1, 2000 then the Company shall issue to RBB Bank a five (5) year warrant to purchase up to 150,000 shares of Common Stock at an exercise price equal to the closing market price of the Common Stock on the NASDAQ on October 2, 2000 and

* November 1, 2000 then the Company shall issue to RBB Bank a five (5) year warrant to purchase up to 200,000 shares of Common Stock at an exercise price equal to the closing market price of the Common Stock on the NASDAQ on November 1, 2000, and

* December 1, 2000 then the Company shall issue to RBB Bank a five (5) year warrant to purchase up to 250,000 shares of Common Stock at an exercise price equal to the closing market price of the Common Stock on the NASDAQ on December 1, 2000.

As of September 1, 2000, the Previous RBB Note had not been repaid in full and the Company has issued or will be issuing to RBB Bank a warrant to purchase up to 100,000 shares of Common Stock at an exercise price of $1.625, the closing market price of the Common Stock on the NASDAQ on September 1, 2000.

The shares of Common Stock which may be issued upon exercise

of the warrants issued or which may be issued to RBB Bank pursuant to the terms of the $3,000,000 RBB Loan Agreement and the Previous RBB Loan Agreement and the additional shares of Common Stock which may be issued to RBB Bank under the $3,000,000 RBB Loan Agreement have not been registered with the Securities and Exchange Commission (the "Commission"), and RBB Bank has agreed that such shares of Common Stock, if any, may be transferred only pursuant to an effective registration statement under the Securities Act of 1933, as amended, and any applicable state securities laws unless there is furnished to the Company an opinion of counsel or other evidence satisfactory to the Company's counsel, to the effect that such registration is not required.

As of September 14, 2000, RBB Bank holds approximately 6,744,780 shares of Common Stock, or approximately 31%, of the Company's outstanding Common Stock, and has the right to acquire 3,256,250 shares, under certain warrants (including the Initial RBB Loan Warrants) and 2,791,333 shares that RBB Bank has the right to acquire upon conversion of three (3) series of the Company's outstanding preferred stock consisting of 1,769 shares of Series 14 Class N Convertible Preferred Stock ("Series 14 Preferred"), 616 shares of Series 15 Class O Convertible Preferred Stock ("Series 15 Preferred") and 1,802 shares of Series 16 Class P Convertible Preferred Stock ("Series 16 Preferred") (collectively, the "RBB Preferred"), assuming conversion of the outstanding series of Preferred Stock at $1.50 per share.

If the conversion of the currently outstanding RBB Preferred occurs between April 20, 2000 and April 20, 2001, then the

* Series 14 Preferred, which during this period has a set conversion price of $1.50 per share of Common Stock, is convertible into 1,179,333 shares of Common Stock,

* Series 15 Preferred, which during this period has a minimum conversion price of $1.50 per share of Common Stock, is convertible into 410,667 shares of Common Stock, assuming the conversion is at $1.50 per share of Common Stock and

* Series 16 Preferred, which during this period has a minimum conversion price of $1.50 per share of Common Stock, is convertible into 1,201,333 shares of Common Stock, assuming the conversion is at $1.50 per share of Common Stock.

As part of the sale of the Series 16 Preferred, the Company also issued to RBB Bank certain warrants ("Series 16 Warrants") entitling RBB Bank to purchase until three years after June 30, 1998, an aggregate of up to 350,000 shares of Common Stock, subject to certain antidilution provisions, with 200,000 shares exercisable at a price equal to $1.875 per share and 150,000 shares exercisable at a price equal to $2.50 per share. In connection with the issuance of the Series 16 Preferred, the Company issued 200,000 shares of Common Stock to Liviakis Financial Communications and Robert B. Prag (the "Liviakis Shares"). Pursuant to the terms of the Series 16 Preferred and the Series 16 Warrants and agreement with the NASDAQ, if the issuance of the Common Stock upon the conversion of the Series 16 Preferred, exercise of the Series 16 Warrants and the issuance of the Liviakis Shares are subject to shareholder approval if

* the aggregate number of shares of Common Stock issued by the

Company pursuant to the terms of the Series 16 Preferred, the Series 16 Warrants and the Liviakis Shares exceeds 2,388,347 shares of Common Stock (which equaled 19.9% of the outstanding shares of Common Stock of the Company as of June 30, 1998) and

* RBB Bank, the holder of the Series 16 Preferred, has converted or elects to convert any of the then outstanding shares of Series 16 Preferred pursuant to the terms of the Series 16 Preferred, at a conversion price of less than $1.875 ($1.875 being the market value per share of Common Stock as quoted on the NASDAQ as of the close of business on June 30, 1998, which was the date of the agreement relating to the sale of the Series 16 Preferred), other than if the conversion price is less than $1.875 solely as a result of the anti-dilution provisions of the Series 16 Preferred.

As of the September 1, 2000, RBB Bank has already converted certain shares of the Series 16 Preferred at a price below $1.875. Therefore, if the Company were to issue in excess of 2,388,347 shares of Common Stock upon conversion of the Series 16 Preferred, upon exercise of the Series 16 Warrants and the issuance of the Liviakis Shares without obtaining shareholder approval under the above-described circumstances, the NASDAQ could de-list the Common Stock or could refuse to list the shares of Common Stock in excess of 2,388,347, either of which actions would be in violation of the terms of the Series 16 Preferred and the Series 16 Warrants and have a material adverse effect upon the Company. As of September 1, 2000, the Company has issued 524,610 shares of Common Stock in connection with the conversion of the Series 16 Preferred and the issuance of the Liviakis Shares.

The issuance of shares of Common Stock to RBB Bank as a result of the exercise of warrants or otherwise in connection with the $3,000,000 RBB Loan and the Previous RBB Loan is subject to regulatory approval, including listing approval of NASDAQ to list these shares. If the Company were to issue shares of Common Stock in connection with the $3,000,000 RBB Loan or the Previous RBB Loan without the NASDAQ listing approval, the NASDAQ could de-list the Common Stock or could refuse to list the shares of Common Stock issued in violation of the NASDAQ marketplace rules, either of which actions would have a material adverse effect upon the Company.

If RBB Bank were to acquire an aggregate of 2,791,333 shares of Common Stock upon conversion of the outstanding shares of the RBB Preferred based on a conversion price of $1.50 per share of Common Stock and were to exercise all of the outstanding warrants to acquire Common Stock which are held by RBB Bank, RBB Bank would own approximately 46% of the outstanding Common Stock, assuming that the Company does not issue any other shares of Common Stock or acquire any of the RBB Preferred or the Common Stock and RBB Bank does not sell or otherwise dispose of any shares of Common Stock. This does not include the shares of Common Stock which may be issuable for payment of dividends on the RBB Preferred or which may be issued in the event additional warrants are issued in connection with the $3,000,000 RBB Loan or in connection with the Previous RBB Loan Agreement.

RBB Bank has advised the Company that it is holding the shares of Common Stock, the RBB Preferred, and the warrants exercisable into Common Stock on behalf of numerous clients. As of the date of this report, RBB Bank has not filed a Schedule 13D or Schedule 13G, pursuant to Section 13(d) of the Exchange Act and Regulation 13D as promulgated thereunder or filed any Forms 3, 4 or 5 under the Exchange Act, reporting

RBB Bank as the beneficial owner of Common Stock of the Company. RBB Bank has informed the Company that, although the shares are held in the name of RBB Bank and the warrants are in the name of RBB Bank, its clients (and not RBB Bank) maintain full voting and dispositive power over such shares. Consequently, RBB Bank has advised the Company it believes it is not the beneficial owner, as such term is defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended ("Rule 13d-3"), of the shares of stock registered in the name of RBB Bank because it has neither voting nor investment power, as such terms are defined in Rule 13d-3, over such shares. As a result, RBB Bank has informed the Company that it does not believe that it is required to file either Schedule 13D or Schedule 13G or Forms 3, 4 or 5 in connection with the shares of the Company's Common Stock registered in the name of RBB Bank or covered by warrants held by RBB Bank. RBB Bank has also advised the Company that under the laws of Austria it is not permitted to disclose the names of its clients.

Item 7. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

The audited financial statements of DSSI and the unaudited interim financial statements of DSSI required by Rule 3.05(b) of Regulation S-X, as promulgated pursuant to the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act") are not included herein, but shall be filed by amendment to this Form 8-K not later than 60 days after September 15, 2000.

(b) Pro forma financial information.

The unaudited pro forma financial information required by Article 11 of Regulation S-X, as promulgated pursuant to the Securities Act and the Exchange Act is not included herein, but shall be filed by amendment to this Form 8-K not later than 60 days after September 15, 2000.

(c) Exhibits.

2.1	Stock Purchase Agreement dated as of May 16, 2000, between Perma-Fix Environmental Services, Inc. and Waste Management Holdings, Inc. as incorporated by reference from Exhibit 2.1 to the Company's quarterly report on Form 10-Q for the quarter ended March 31, 2000.
2.2	First Amendment to Stock Purchase Agreement dated August 31, 2000, between Perma-Fix Environmental Services, Inc., and Waste Management Holdings, Inc. (Exhibits and Schedules to this agreement as referenced in the Schedule included therein are omitted, but will be provided to the Commission upon request.)
4.1	Loan Agreement between Perma-Fix Environmental Services, Inc. and RBB Bank Aktiengesellschaft, dated August 29, 2000.
4.2	Promissory Note for $3,000,000, dated August 29, 2000, issued to RBB Bank Aktiengesellschaft.

4.3 Warrant for 150,000 shares of Common Stock issued to RBB Bank Aktiengesellschaft.

4.4 Guaranteed Promissory Note, dated August 31, 2000, for $2,500,000 issued to Waste Management Holdings, Inc.

4.5 Promissory Note, dated August 31, 2000, for $3,500,000 issued to Waste Management Holdings, Inc.

4.6 RBB Letter Agreement regarding a $750,000 loan is incorporated by reference from Exhibit 10.1 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2000.

4.7 Unsecured Promissory Note in favor of RBB Bank Aktiengesellschaft is incorporated by reference from Exhibit 10.3 to the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2000.

10.1 Non-recourse Guaranty dated August 31, 2000, between Diversified Scientific Services, Inc. and Waste Management Holdings, Inc.

SIGNATURES

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

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Richard T. Kelecy

Richard T. Kelecy
Chief Financial Officer

Date: September 15, 2000

FIRST AMENDMENT TO STOCK PURCHASE AGREEMENT
BETWEEN
PERMA-FIX ENVIRONMENTAL SERVICES, INC.
AND
WASTE MANAGEMENT HOLDINGS, NC.
DATED MAY 16, 2000

This First Amendment, dated August 31, 2000,to the May 16, 2000 Stock Purchase Agreement between Perma-Fix Environmental Services, Inc. and Waste Management Holdings, Inc.

WHEREAS, Perma-Fix Environmental Services, Inc. (as "Buyer") and Waste Management Holdings, Inc. (as "Seller") are parties to a Stock Purchase Agreement between Perma-Fix Environmental Services, Inc. and Waste Management Holdings, Inc., dated May 16, 2000 ("Agreement"); and

WHEREAS, Buyer and Seller desire to amend the Agreement as expressly provided in this First Amendment; and

WHEREAS, the Board of Directors of Buyer and Seller, respectively have approved this amendment to the Agreement.

Now, therefore, in consideration of the premises and mutual promises herein made, the parties agree to amend the Agreement as follows:

1) Article 1 "Definitions" of the Agreement is modified at (d) to read as follows: "(d) "Buyer's Guaranteed Note" has the meaning set forth in Article 2 (b) (1) below and "Buyer's Note" has the meaning set forth in the Article 2 (b) (2) below."

2) Sections (b), (c), and (d) of Article 2 "Purchase and Sale of DSSI Shares" of the Agreement are modified to read as follows:

(b) Purchase Price. The Buyer agrees to pay Seller at Closing $8,500,000 (the "Purchase Price") by delivery of:

(1) its promissory note (the "Buyer's Guaranteed Note") in the form of Exhibit B attached hereto in the aggregate principal amount of $2,500,000, bearing an annual rate of interest equal to the prime rate charged on August 30, 2000 as published in the Wall Street Journal plus 1.75% per annum on any unpaid principal balance and having a term of the lesser of (i) 120 days from the Closing Date, or (ii) the business day before the date that Buyer acquired any entity or substantially all of the assets of an entity, ("Maturity Date"), with interest and principal due in lump sum at the end of the Maturity Date. Such note shall be secured by the assets of DSSI, except for accounts, accounts receivables, general intangibles, contract rights, cash, and proceeds thereof; and

(2) its unsecured promissory note (the "Buyer's Note") in the form of Exhibit A attached hereto in the aggregate principal amount of $3,500,000 and bearing interest at a rate of 7% per annum on any unpaid principle balance and having a term of five years from the Closing Date, with interest payable annually and principal due in lump sum at the end of the five year term; and
(3) $2,500,000 in cash payable by wire transfer to Seller at Closing.

(c) Adjustments to Purchase Price {This section intentionally left blank.} The remainder of article 2(c) is hereby deleted.

(d) The Closing. The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place on _____at the offices of Burns, Figa & Will, P.C., 6400 South Fiddlers Green Circle, Suite 1030, Englewood, CO 80111 commencing at 10:00 a.m. mountain time, later of August 31, 2000 or the second business day following satisfaction or waiver of all conditions of the Parties to consummate the transaction comtemplated herein, or such other date as the Buyer and Seller may mutually determine (the "Closing Date"). If the Closing has not occurred on or before the later of August 31, 2000 or such longer time period as is necessary to obtain the approvals of the applicable government authorities relating to the permits and licenses of DSSI as necessary to consummate the transaction contemplated hereunder, then either of the Parties may terminate this Agreement by giving notice of such termination; except that a Party may not terminate this Agreement if Closing has not occurred by the later of August 31, 2000 or such longer period as is necessary to obtain the approvals of the applicable government authorities relating to the permits and licenses of DSSI as necessary to consummate the transaction contemplated hereunder due to such parties breach of its representations, warranties and covenants contained herein.

3) Sections (2), (6), and (7) of Article 3(e) "Investment"of the Agreement are amended to read as follows:

(2) is acquiring the Buyer's Guaranteed Note and the Buyer's Note solely for its own account for investment purposes, and not with a view to distribution thereof.

(6) is able to bear the risk and lack of liquidity inherent in holding the Buyer's Guaranteed Note and the Buyer's Note; and

(7) Agrees that the Buyer's Guaranteed Note and the Buyer's Note will bear a legend stating in substance:

> This Note has been acquired for investment and has not been registered under the Securities Act of 1933, as amended ("Securities Act"), in reliance on an exception contained in the Securities Act. This Note may only be transferred pursuant to an effective registration statement under the Securities Act and any applicable state securities laws unless there is furnished to Buyer an opinion of counsel or other evidence satisfactory to Buyer to the effect that such registration is not required. This Note is

> subject to the terms of that certain Stock Purchase Agreement dated May 16, 2000, between the Maker and the Payee of this Note, as amended by the First Amendment to Stock Purchase Agreement between Maker and Payee, dated August 31, 2000.

4) The Agreement, as amended by this First Amendment, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as of the date first above written.

"SELLER"	"BUYER"
Waste Management Holdings, Inc.	Perma-Fix Environmental Services, Inc.
By: /s/ Robert G. Simpson	By: /s/ Louis Centofanti
	Dr. Louis F. Centofanti
Title: President	Title: President

Perma-Fix Environmental Services, Inc.

Dear Mr. Strauss:

This letter agreement ("Letter Agreement@) is to provide the terms and conditions under which RBB Bank Aktiengesellschaft, a bank organized under the laws of Austria ("RBB Bank") as agent for certain of its clients, shall loan $3,000,000 to Perma-Fix Environmental Services, Inc., a Delaware corporation ("PESI").

Loan.

Subject to and upon the terms and conditions contained herein, RBB Bank agrees to make a term loan (the "Loan") to PESI in the aggregate principal amount of $3,000,000. RBB Bank shall deliver to PESI $3,000,000 in cash on or before Tuesday, August 29, 2000 (the "Closing Date"). The terms of the loan shall be as set forth in the Promissory Note, dated the Closing Date, executed by PESI (the "Note").

Loan Fee.

In order to induce RBB Bank into granting the Loan, PESI has agreed to pay RBB Bank a fee of $15,000, which shall be deducted from the proceeds of the Loan prior to delivery of such proceeds to PESI.

Warrants.

Initial Warrants. In order to induce RBB Bank into granting the Loan, PESI has agreed to issue to RBB Bank certain warrants, having a term of three (3) years, allowing the purchase of up to 150,000 shares of PESI Common Stock, par value $.001 per share (the "Common Stock"), at an exercise price of $1.50 per share and containing a cashless exercise provision.

Two Month Warrants. If all principal and accrued and unpaid interest under the Loan is not paid in full by 5:00 p.m. New York time on October 30, 2000, then PESI shall issue to RBB Bank certain warrants, having a term of three (3) years, allowing the purchase of up to an additional 5,000 shares of Common Stock for each $100,000 of principal remaining unpaid under the Note at 5:00 p.m. New York time on October 30, 2000, or a maximum of 150,000 shares of Common Stock if no principal has been repaid under the Note, at an exercise price equal to the closing market price of the Common Stock on the National Association of Securities Dealers Automated Quotation System SmallCap Market ("NASDAQ") on October 30, 2000.

Collectively, the warrants are hereinafter referred to as the "Warrants," the shares of Common Stock which may be issued upon exercise of such Warrants are hereinafter referred to as the "Warrant Shares."

Common Stock.

If all principal and accrued and unpaid interest under the Loan is not paid in full by 5:00 p.m. New York time on

November 29, 2000, then PESI shall issue to RBB Bank a certain number of shares of Common Stock, with the number of shares determined by dividing $300,000 by the closing market

price of the Common Stock on the NASDAQ on such date, if shares of Common Stock have been traded on the NASDAQ on such date, or on the most recent trading date, if shares of Common Stock have not been traded on the NASDAQ on such date.

If all principal and accrued and unpaid interest under the Loan is not paid in full by 5:00 p.m. New York time on the 29th day of each month thereafter, then PESI shall issue to RBB Bank a certain additional number of shares of Common Stock, with the number of shares determined by dividing $300,000 by the closing market price of the Common Stock on the NASDAQ on such date, if shares of Common Stock have been traded on the NASDAQ on such date, or on the most recent trading date, if shares of Common Stock have not been traded on the NASDAQ on such date.

Collectively, the shares of Common Stock which may be issued under this "Common Stock" Section are hereinafter referred to as the "Issuable Shares."

The Warrants shall be executed by both PESI and RBB Bank and shall contain appropriate investment representations, warranties and covenants. The issuance of the Warrants, Warrant Shares and Issuable Shares are subject to appropriate corporate, NASDAQ and regulatory authority approval.

Use of Proceeds.

PESI may use the proceeds of the Loan for the acquisition of Diversified Scientific Services, Inc. and for any other purposes which it deems appropriate in the best interest of PESI.

Reporting Company.

Although the Warrants, the Warrant Shares and the Issuable Shares (collectively, the "Securities") shall not be registered under federal or state securities laws or any rules or regulations promulgated thereunder. PESI is a reporting company under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and has filed with the Securities and Exchange Commission (the "SEC") all reports required to be filed by PESI under Section 13 or 15(d) of the Exchange Act. RBB Bank has had the opportunity to review, and has reviewed, all such reports and information which RBB Bank deemed material to an investment decision regarding the purchase of the Securities.

Restrictive Legends.

RBB Bank agrees that, subject to the provisions herein, all certificates representing the Securities shall bear a restrictive legend which shall include, but not be limited to, a legend to the effect that (a) the Securities represented by such certificate have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and (b) unless there is an effective

registration statement relating to the Securities, the Securities may not be offered, sold, transferred, mortgaged, pledged or hypothecated without an exemption from registration and an opinion of counsel to PESI with respect thereto, or an opinion from counsel for RBB Bank, which opinion is satisfactory to PESI, to the effect that registration under the Securities Act is not required in

connection with such sale or transfer and the reasons therefor. The legend on all such certificates shall make reference to the registration rights set forth herein.

Representations, Warranties and Covenants of RBB Bank.

RBB Bank hereby represents, warrants and covenants to PESI as follows:

Investment Intent.

RBB Bank represents and warrants that the Securities are being purchased or acquired solely to be held by RBB Bank as agent for certain of its clients who have provided to RBB Bank the $3,000,000 described in this Letter Agreement. RBB Bank=s own account, for investment purposes only and not with a view toward the distribution or resale to others. RBB Bank acknowledges, understands and appreciates that the Securities have not been registered under the Securities Act by reason of a claimed exemption under the provisions of the Securities Act which depends, in large part, upon RBB Bank=s representations as to investment invention, investor status, and related and other matters set forth herein.

Certain Risk.

RBB Bank recognizes that the purchase of the Securities involves a high degree of risk in that (a) PESI has sustained losses from its operations, and may require substantial funds in addition to the proceeds of this private placement; (b) that PESI has a substantial accumulated deficit; (c) an investment in PESI is highly speculative and only investors who can afford the loss of their entire investment should consider investing in PESI and the Securities; (d) an investor may not be able to liquidate his investment; (e) transferability of the Securities is extremely limited; (f) in the event of a disposition an investor could sustain the loss of his entire investment; (g) the Warrants represent the right to exercise and purchase shares of voting equity securities in a corporate entity that has an accumulated deficit; (h) no return on investment, whether through distributions, appreciation, transferability or otherwise, and no performance by, through or of PESI, has been promised, assured, represented or warranted by PESI, or by any director, officer, employee, agent or representative thereof; and, (i) while the Common Stock is presently quoted and traded on the Boston Stock Exchange and the NASDAQ

and while RBB Bank is a beneficiary of certain registration rights provided herein, the Securities subscribed for and that are purchased under this Letter Agreement (i) are not registered under applicable federal (U. S.) or state securities laws, and thus may not be sold, conveyed, assigned or transferred unless registered under such laws or unless an exemption from registration is available under such laws, as more fully described herein, and (ii) the Securities subscribed for and that are to be purchased under this Letter Agreement are not quoted, traded or listed for trading or quotation on the NASDAQ, or any other organized market or

quotation system, and there is therefore no present public or other market for the Securities, nor can there be any assurance that the Common Stock of PESI will continue to be quoted, traded or listed for trading or quotation on the Boston Stock Exchange or the NASDAQ or on any other organized market or quotation system.

Prior Investment Experience.

RBB Bank acknowledges that it has prior investment experience, including investment in non-listed and non-registered securities, or has employed the services of an investment advisor, attorney or accountant to read all of the documents furnished or made available by PESI to it and to evaluate the merits and risks of such an investment on its behalf, and that it recognizes the highly speculative nature of this investment.

No Review by the SEC.

RBB Bank hereby acknowledges that this offering of the Securities has not been reviewed by the SEC because this private placement is intended to be a nonpublic offering pursuant to Sections 4(2) and/or 3(b) of the Securities Act and/or Regulation D promulgated under the Securities Act.

Not Registered.

RBB Bank understands that the Securities have not been registered under the Securities Act by reason of a claimed exemption under the provisions of the Securities Act which depends, in part, upon RBB Bank's investment intention. In this connection, RBB Bank understands that it is the position of the SEC that the statutory basis for such exemption would not be present if its representation merely meant that its present intention was to hold such securities for a short period, such as the capital gains period of tax statutes, for a deferred sale, for a market rise (assuming that a market develops), or for any other fixed period.

No Public Market.

RBB Bank understands that there is no public market for the Warrants. RBB Bank understands that although there is presently a public market for the Common Stock, including the Warrant Shares and the Issuable Shares, Rule 144 (the "Rule") promulgated under the Securities Act requires, among other conditions, a one-year holding period following full payment of the consideration therefor prior to the resale (in limited amounts) of securities acquired in a nonpublic offering without having to satisfy the registration requirements under the Securities Act. RBB Bank understands that PESI makes no representation or warranty regarding its fulfillment in the future of any reporting requirements under the Exchange Act, or its dissemination to the public of any current financial or other information concerning PESI, as is required by the Rule as one of the conditions of its availability. RBB Bank understands and hereby acknowledges that PESI is under no obligation to register the Securities or

under the Securities Act, except as set forth herein. RBB Bank agrees to hold PESI and its directors, officers and controlling persons and their respective heirs, representatives, successors and assigns harmless and to indemnify them against all liabilities, costs and expenses incurred by them as a result of any misrepresentation made by RBB Bank contained herein or any sale or distribution by RBB Bank in violation of the Securities Act or any applicable state securities or "blue sky" laws (collectively, "Securities Laws").

Sophisticated Investor.

RBB Bank hereby acknowledges and asserts that (a) RBB Bank has adequate means of providing for RBB Bank's current financial needs and possible contingencies and has no need for liquidity of RBB Bank's investment in the Securities; (b) RBB Bank is able to bear the economic risks inherent in an investment in the Securities and that an important consideration bearing on its ability to bear the economic risk of the purchase of Securities is whether RBB Bank can afford a complete loss of RBB Bank's investment in the Securities and RBB Bank represents and warrants that RBB Bank can afford such a complete loss; and (c) RBB Bank has such knowledge and experience in business, financial, investment and banking matters (including, but not limited to, investments in restricted, non-listed and non-registered securities) that RBB Bank is capable of evaluating the merits, risks and advisability of an investment in the Securities.

Tax Consequences.

RBB Bank acknowledges that PESI has made no representation regarding the potential or actual tax consequences for RBB Bank which will result

from entering into and consummating the Letter Agreement. RBB Bank acknowledges that it bears complete responsibility for obtaining adequate tax advice regarding the Letter Agreement.

SEC Filing.

RBB Bank acknowledges that it has been previously furnished with true and complete copies of the following documents which have been filed with the SEC pursuant to Sections 13(a), 14(a), 14(c) or 15(d) of the Exchange Act, and that such have been furnished to RBB Bank a reasonable time prior to the date hereof: (a) PESI's Form 10-K for the year ended December 31, 1999, (b) PESI's Form 10-Q for the quarter ended March 31, 2000, and (c) PESI's Form 10-Q for the quarter ended June 30, 2000.

Documents, Information and Access.

RBB Bank's decision to purchase the Securities is not based on any promotional, marketing or sales materials, and RBB Bank and its representatives have been afforded, prior to purchase thereof, the opportunity to ask questions of, and to receive answers from, PESI and its management, and has had access to all documents and information which RBB Bank deems material to an investment decision with respect to the purchase of Securities hereunder.

No Registration, Review or Approval

RBB Bank acknowledges and understands that the private offering and sale of Securities pursuant to this Letter Agreement has not been reviewed or approved by the SEC or by any state securities commission, authority or agency, and is not registered under the Securities Laws. RBB Bank acknowledges, understands and agrees that the Shares are being offered and exchanged hereunder pursuant to a private placement exemption to the registration provisions of the Securities Act pursuant to Section 3(b) and/or Section 4(2) of such Securities Act and/or Regulation D promulgated under the Securities Act.

Transfer Restrictions.

RBB Bank will not transfer any Securities purchased under this Letter Agreement unless such Securities are registered under the Securities Laws, or unless an exemption is available under such Securities Laws, and PESI may, if it chooses, where an exemption from registration is claimed by RBB Bank, condition any transfer of Securities out of RBB Bank's name upon an opinion of PESI's counsel, to the effect that the proposed transfer is being effected in accordance with, and does not violate, an applicable exemption from registration under the Securities Laws, or an opinion of counsel to RBB Bank, which opinion is satisfactory to PESI, to the effect that registration under the Securities Act is not required in connection with such sale or transfer and the reasons therefor.

Reliance.

RBB Bank understands and acknowledges that PESI is relying upon all of the representations, warranties, covenants, understandings, acknowledgments and agreements contained in this Letter Agreement in determining whether to accept this subscription and to sell and issue the Securities to RBB Bank.

Accuracy or Representations and Warranties.

All of the representations, warranties, understandings and acknowledgments that RBB Bank has made herein are true and correct in all material respects as of the date of execution hereof. RBB Bank will perform and comply fully in all material respects with all covenants and agreements set forth herein, and RBB Bank covenants and agrees that until the acceptance of this Letter Agreement by PESI, RBB Bank shall inform PESI immediately in writing of any changes in any of the representations or warranties provided or contained herein.

Indemnity.

RBB Bank hereby agrees to indemnify and hold harmless PESI, and its successors and assigns, from, against and in all respects of any demands, claims, actions or causes of action, assessments, liabilities, losses, costs, damages, penalties, charges, fines or expenses (including, without limitation, interest, penalties, and attorney and accountants' fees, disbursements and expenses), arising out of or relating to any breach by RBB Bank of any representations, warranty, covenant or agreement made by RBB Bank in this Letter Agreement. Such right to indemnification shall be in addition to any and all other rights of PESI under this Letter Agreement or otherwise, at law or in equity.

Survival.

RBB Bank expressly acknowledges and agrees that all of its representations, warranties, agreements and covenants set forth in this Letter Agreement shall be of the essence hereof and shall survive the execution, delivery and closing of this Letter Agreement, the sale and purchase of the Securities, the exercise of the Warrants, and the sale of the Warrant Shares.

Securities Legends and Notices.

Subscriber represents and warrants that it has read, considered and understood the following legends, and agrees that such legends, substantially in the form and substance set forth below, shall be placed on all of the certificates representing the Warrants, Warrant Shares, and issuable

shares as indicated:

Warrant Legends

NEITHER THIS WARRANT NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF THIS WARRANT, HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS. THIS WARRANT AND THE COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AND QUALIFICATION IN EFFECT WITH RESPECT THERETO UNDER THE SECURITIES ACT AND UNDER ANY APPLICABLE STATE SECURITIES LAW OR WITHOUT THE PRIOR WRITTEN CONSENT OF PERMA-FIX ENVIRONMENTAL SERVICES, INC. (THE ACOMPANY@) AND AN OPINION OF THE COMPANY=S COUNSEL, OR AN OPINION FROM COUNSEL FOR THE HOLDER HEREOF, WHICH OPINION IS SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION AND QUALIFICATION IS NOT REQUIRED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM.

NOTWITHSTANDING THE FOREGOING, THE SHARES ISSUABLE UPON EXERCISE ARE SUBJECT TO THE TERMS SET FORTH IN THAT CERTAIN LETTER AGREEMENT BETWEEN RBB BANK AKTIENGESELLSCHAFT AND THE COMPANY, DATED AS OF OCTOBER 29, 2000, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL EXECUTIVE OFFICE.

Warrant Shares and Issuable Shares Legends

THESE SHARES OF COMMON STOCK, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS. THIS COMMON STOCK MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AND QUALIFICATION IN EFFECT WITH RESPECT THERETO UNDER THE SECURITIES ACT AND UNDER ANY APPLICABLE STATE SECURITIES LAW OR WITHOUT THE PRIOR WRITTEN CONSENT OF PERMA-FIX ENVIRONMENTAL SERVICES, INC. (THE ACOMPANY@) AND AN OPINION OF THE COMPANY=S COUNSEL, OR AN OPINION FROM COUNSEL FOR THE HOLDER HEREOF, WHICH OPINION IS SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION AND QUALIFICATION IS NOT REQUIRED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM.

NOTWITHSTANDING THE FOREGOING, THESE SHARES OF COMMON STOCK ARE SUBJECT TO THE TERMS SET FORTH IN THAT CERTAIN LETTER AGREEMENT BETWEEN RBB BANK AKTIENGESELLSCHAFT AND THE COMPANY, DATED AS OF OCTOBER 29, 2000, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL EXECUTIVE OFFICE.

Miscellaneous.

a. Amendment; Waiver. Neither this Letter Agreement nor the Warrants shall be changed, modified or amended in any respect except by the mutual written agreement of the parties hereto. Any provision of this Letter Agreement or the Warrants may be waived in writing by the party which is

entitled to the benefits thereof. No waiver of any provision of this Letter Agreement or the Warrants shall be deemed to, or shall constitute a waiver of, any other provision hereof or thereof (whether or not similar), nor shall nay such waiver constitute a continuing waiver.

b. Binding Effect; Assignment. Except as stated in this Section, neither this Letter Agreement nor the Warrants, nor any rights or obligations

hereunder or thereunder, are assignable by RBB Bank. It is understood and acknowledged by PESI that the Securities shall be held by RBB Bank as agent for certain of its clients who have provided to RBB Bank the $3,000,000 described in this Letter Agreement. Therefore, the Securities may be proportionately assigned to such clients who qualify as an accredited investor as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended.

c. Governing Law; Litigation Costs. This Letter Agreement and its validity, construction and performance shall be governed in all respects by the internal laws of the State of Delaware without giving effect to such State's conflicts of laws provisions.

d. Counterparts. This Letter Agreement may be executed in one or more original or facsimile counterparts, each of which shall be deemed an original and all of which shall be considered one and the same agreement, binding on all of the parties hereto, notwithstanding that all parties are not signatories to the same counterpart. Upon delivery of an executed counterpart by RBB Bank to PESI, which in turn is executed and delivered by PESI, this Letter Agreement shall be binding as one original agreement between RBB Bank and PESI.

e. Entire Agreement. This Letter Agreement, along with the Warrants, merges and supersedes any and all prior agreements, understandings, discussions, assurances, promises, representations or warranties among the parties with respect to the subject matter hereof, and contains the entire agreement among the parties with respect to the subject matter set forth herein and therein.

f. No Third Party Beneficiaries. This Letter Agreement and the rights, benefits, privileges, interests, duties and obligations contained or referred to herein shall be solely for the benefit of the parties hereto and no third party shall have any rights or benefits hereunder as a third party beneficiary or otherwise hereunder.

THE NEXT PAGE IS THE SIGNATURE PAGE

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK

PERMA-FIX ENVIRONMENTAL
SERVICES, INC.

By /s/ Louis Centofanti
_____
Dr. Louis F. Centofanti
Chief Executive Officer

Accepted and agreed to by RBB Bank this 29th day of August, 2000.

RBB BANK AKTIENGESELLSCHAFT

By /s/ Herbert Strauss
_____
Herbert Strauss
Headtrader

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UNSECURED PROMISSORY NOTE

$3,000,000 August 29, 2000

FOR VALUE RECEIVED, the undersigned, PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation ("Maker"), promises to pay to the order of RBB BANK AKTIENGESELLSCHAFT, a bank organized under the laws of Austria, and having its principal offices at Burgring 16, 8010 Graz, Austria ("Payee"), in lawful money of the United States of America, the principal sum of Three Million and no/100 Dollars ($3,000,000), together with interest on the unpaid principal balance at an annual rate equal to 12.0% in the manner provided below. Interest shall be calculated on the basis of a year of 365 days and charged for the actual number of days elapsed.

1. PAYMENTS

1.1 PRINCIPAL AND INTEREST

The principal amount of this Note and accrued interest thereon shall be payable in full on November 29, 2000.

1.2 MANNER OF PAYMENT

All payments of principal and interest on this Note shall be delivered to Payee within ten (10) days of the due date described in Section 1.1 at Burgring 16, 8101 Graz, Austria or at such other place as Payee shall designate to Maker in writing. If any payment of principal or interest on this Note is due on a day which is not a Business Day, such payment shall be due on the next succeeding Business Day. "Business Day" means any day other than a Saturday, Sunday or legal holiday in the State of Delaware.

1.3 PREPAYMENT

Maker may, without premium or penalty, at any time and from time to time, prepay all or any portion of the outstanding principal balance due under this Note, provided that each such prepayment is accompanied by accrued interest on the amount of principal prepaid calculated to the date of such prepayment. Any partial prepayments shall be applied to reduce the principal under the Note.

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2. DEFAULTS

2.1 EVENTS OF DEFAULT

The occurrence of any one or more of the following events with respect to Maker shall constitute an event of default hereunder ("Event of Default"):

(a) If Maker shall fail to pay when due any payment of principal or interest on this Note and such failure continues for fifteen

(15) days after Payee notifies Maker in writing of such failure to pay;

(b) If, pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors (a "Bankruptcy Law"), Maker shall (i) commence a voluntary case or proceeding; (ii) consent to the entry of an order for relief against it in an involuntary case; (iii) consent to the appointment of a trustee, receiver, assignee, liquidator or similar official; (iv) make an assignment for the benefit of its creditors; or (v) admit in writing its inability to pay its debts as they become due; or

(c) If a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against Maker in an involuntary case, (ii) appoints a trustee, receiver, assignee, liquidator or similar official for Maker or for substantially all of Maker's properties, or (iii) orders the liquidation of Maker, and in each case the order or decree is not dismissed within 90 days.

2.2 REMEDIES

Upon the occurrence of an Event of Default hereunder (unless all Events of Default have been cured by Maker or waived by Payee), Payee may, at its option, (i) by written notice to Maker, declare the entire unpaid principal balance of this Note, together with all accrued interest thereon, immediately due and payable regardless of any prior forbearance, and (ii) exercise any and all rights and remedies available to it under applicable law, including, without limitation, the right to collect from Maker all sums due under this Note. Maker shall pay all reasonable costs and expenses incurred by or on behalf of Payee in connection with Payee's exercise of any or all of its rights and remedies under this Note, including, without limitation, reasonable attorneys' fees.

3. MISCELLANEOUS

3.1 WAIVER

The rights and remedies of Payee under this Note shall be cumulative and not alternative. No waiver by Payee of any right or remedy under this Note shall be effective unless in a writing signed by Payee. Neither the failure nor any delay in exercising any right, power or privilege under this Note will operate as a waiver of such right, power or privilege and no single or partial exercise of any such right, power or privilege by Payee will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law, (a) no claim

or right of Payee arising out of this Note can be discharged by Payee, in whole or in part, by a waiver or renunciation of the claim or right unless in a writing, signed by Payee; (b) no waiver that may be given by Payee will be applicable except in the specific instance for which it is given; and (c) no notice to or demand on Maker will be deemed to be a waiver of any obligation of Maker or of the right of Payee to take further action without notice or demand as provided in this Note. Maker hereby waives presentment, demand, protest and notice of dishonor and protest.

3.2 NOTICES

Except as otherwise specified herein to the contrary, all notices, requests, demands and other communications required or desired to be given hereunder shall only be effective if given in writing, by hand or by fax, by certified or registered mail, return receipt requested, postage prepaid, or by U.S. Express Mail service, or by private overnight mail service (e.g., Federal Express). Any such notice shall be deemed to have been given (i) on the business day actually received if given by hand or by fax, (ii) on the business day immediately subsequent to mailing, if sent by U.S. Express Mail service or private overnight mail service, or (iii) five (5) business days following the mailing thereof, if mailed by certified or registered mail, postage prepaid, return receipt requested, and all such notices shall be sent to the following addresses (or to such other address or addresses as a party may have advised the other in the manner provided in this Section 3.2):

If to the Maker: c/o Dr. Louis F. Centofanti
Perma-Fix Environmental Services, Inc.
1940 Northwest 67th Place
Gainesville, Florida 32653
Fax No.: (352) 373-0040

with copies simultaneously
by like means to: Irwin H. Steinhorn, Esquire
Conner & Winters
One Leadership Square, Suite 1700
211 North Robinson
Oklahoma City, Oklahoma 73102
Fax No.: (405) 232-2695

If to the Payee: Herbert Strauss
RBB Bank Aktiengesellschaft
Burgring 16, 8010 Graz, Austria
Fax No.: 011-43-316-8072 ext. 392

3.3 SEVERABILITY

If any provision in this Note is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Note will remain in full force and effect. Any provision of this Note held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

3.4 GOVERNING LAW

This Note will be governed by the laws of the State of Delaware without regard to conflicts of laws principles.

3.5 PARTIES IN INTEREST

This Note shall bind Maker and its successors and assigns.

3.6 SECTION HEADINGS, CONSTRUCTION

The headings of Sections in this Note are provided for

convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Note unless otherwise specified.

All words used in this Note will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the words "hereof" and "hereunder" and similar references refer to this Note in its entirety and not to any specific section or subsection hereof.

IN WITNESS WHEREOF, Maker has executed and delivered this Note as of the date first stated above.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.,
a Delaware corporation

By: /s/ Louis Centofanti

Dr. Louis F. Centofanti, President

NEITHER THIS WARRANT NOR ANY SHARES OF COMMON STOCK ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS. THIS WARRANT AND THE COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AND QUALIFICATION IN EFFECT WITH RESPECT THERETO UNDER THE SECURITIES ACT AND UNDER ANY APPLICABLE STATE SECURITIES LAW OR AN OPINION OF PERMA-FIX ENVIRONMENTAL SERVICES, INC.'S COUNSEL THAT SUCH REGISTRATION AND QUALIFICATION IS NOT REQUIRED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN EXEMPTION THEREFROM IS AVAILABLE.

NOTWITHSTANDING THE FOREGOING, THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT ARE SUBJECT TO THE TERMS SET FORTH IN THAT CERTAIN LETTER AGREEMENT BETWEEN THE HOLDER HEREOF AND THE COMPANY, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL EXECUTIVE OFFICE.

COMMON STOCK PURCHASE WARRANT CERTIFICATE

RBB-8-00-1

Dated: August 29, 2000

One Hundred Fifty Thousand (150,000) Warrants

to Purchase One Hundred Fifty Thousand (150,000)

Shares of Perma-Fix Environmental Services, Inc.

Common Stock, $.001 Par Value Per Share

VOID AFTER 5:00 P.M., UNITED STATES EASTERN DAYLIGHT SAVINGS TIME

on

August 29, 2000

PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), hereby certifies that RBB BANK AKTIENGESELLSCHAFT, organized under the laws of Austria, and its permissible successors and assigns (the "Warrant Holder" or "Holder"), for value received, is entitled to purchase from the Company at any time after August 29, 2000, until 5:00 p.m., Eastern Daylight Savings Time on August 29, 2003, up to an aggregate of one hundred fifty thousand (150,000) shares (the "Shares" or "Warrant Shares") of the

Company's common stock, par value $.001 per share (the "Common Stock") at an exercise price equal to $1.50 per share (the "Per Share Exercise Price").

1. Cash Exercise of Warrants. Upon presentation and surrender of this Common Stock Purchase Warrant Certificate ("Warrant Certificate" or "this Certificate"), with the attached Form of Election to Purchase duly executed and completed, at the principal office of the Company at 1940 Northwest 67th Place, Gainesville, Florida 32606-1649, together with cash or a cashier's or certified check payable to the Company in the amount of the Per Share Exercise Price multiplied by the number of Warrant Shares being purchased (the "Aggregate Exercise Price"), the Company, or the

Company's transfer agent, as the case may be, shall deliver to the Warrant Holder hereof, certificates of Common Stock which, in the aggregate, represent the number of Warrant Shares being purchased. The purchase rights represented by each Warrant Certificate are exercisable at the option of the Holder thereof, in whole or in part (but not as to fractional shares of the Common Stock underlying the Warrants). Warrants may be exercised to purchase all or part of the shares of Common Stock represented thereby. In the case of the purchase of less than all the shares of Common Stock purchasable under any Warrant Certificate, the Company shall cancel said Warrant Certificate upon the surrender thereof and shall execute and deliver a new Warrant Certificate of like tenor for the balance of the shares of Common Stock purchasable thereunder.

2. Exercise by Surrender of Warrants (Cashless Exercise). In addition to the method of payment set forth in Section 1 and in lieu of any cash payment required thereunder, subject to the terms hereof, the Holder of the Warrants shall have the right at any time and from time to time to exercise the Warrants held by such Holder in full or in part by surrendering a Warrant Certificate in the manner specified in Section 1 in exchange for the number of Warrant Shares equal to the product of (x) the number of Warrant Shares as to which the Warrants are being exercised multiplied by (y) a fraction, the numerator of which is the Market Price (as defined in Section 3 below) of the Warrant Shares less the Per Share Exercise Price and the denominator of which is such Market Price. Solely for the purposes of this paragraph, Market Price shall be calculated as the average of the Market Prices for each of the five trading days preceding the date of exercise.

3. Definition of Market Price. As used herein, the phrase "Market Price" at any date shall be deemed to be the average closing bid quotation of the Company's Common Stock (i) as reported on the National Association of Securities Dealers SmallCap Quotation market ("NASDAQ") for the last five (5) trading days, or (ii) if the Common Stock is not traded on NASDAQ, the average closing price as listed on a national securities exchange for the last five (5) trading days, or (iii) if no longer traded on NASDAQ or listed on a national securities exchange, as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

4. Exchange and Transfer. This Certificate, at any time prior to the exercise hereof, upon presentation and surrender to the Company, may be exchanged, alone or with other certificates of like

tenor registered in the name of the same Warrant Holder, for another Certificate or Certificates of like tenor in the name of such Warrant Holder exercisable for the aggregate number of Warrant Shares as the Certificate or Certificates surrendered.

5. Rights and Obligations of Warrant Holder of this Certificate. The Holder of this Certificate shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or in equity; provided, however, that in the event any certificate representing shares of Common Stock or other securities is issued to the Holder hereof upon exercise of some or all of the Warrants evidenced by this Warrant Certificate, such Holder shall, for all purposes, be deemed to have become the Holder of record of such Common Stock on the date on which this Certificate, together with a duly executed Form of Election to Purchase, was surrendered and payment of the Aggregate Exercise Price was made pursuant to

the terms hereof, irrespective of the date of delivery of such share certificate. The rights of the Holder of this Certificate are limited to those expressed herein and the Holder of this Certificate, by his acceptance hereof, consents and agrees to be bound by, and to comply with, all of the provisions of this Certificate, including, without limitation, all of the obligations imposed upon the Warrant Holder contained in this Warrant Certificate. In addition, the Warrant Holder, by accepting this Certificate, agrees that the Company may deem and treat the person in whose name this Certificate is registered on the books of the Company as the absolute, true and lawful owner of this Certificate for all purposes whatsoever, and the Company shall not be affected by any notice to the contrary.

6. Common Stock.

6.1 The Company covenants and agrees that all shares of Common Stock which may be acquired by the Holder under this Warrant Certificate will, when issued and upon delivery, be duly and validly authorized and issued, fully paid and nonassessable, and free from all stamp taxes, liens, and charges with respect to the purchase thereof.

6.2 The Company covenants and agrees that it will, at all times, reserve and keep available an authorized number of shares of its Common Stock and other applicable securities sufficient to permit the exercise in full of all outstanding options, warrants and rights, including the Warrants; and, if at the time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the exercise of all of the Warrants covered by this Warrant Certificate, the Company will take such corporate action at its next annual meeting of stockholders as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including, without limitation, engaging in reasonable efforts to obtain the requisite stockholder approval of any necessary amendment to its Certificate of Incorporation.

7. Issuance of Certificates. As soon as possible after full or partial exercise of this Warrant Certificate, the Company, at its expense, will cause to be issued in the name of, and delivered to, the Holder of this Warrant Certificate, a certificate or certificates for the number of fully paid and nonassessable shares of Common Stock to which that Holder shall be entitled on such exercise. No fractional shares will be issued on exercise of this Warrant. If on any exercise of this Warrant a fraction of a share results, the Company will pay the cash value of that fractional share, calculated on the basis of the Per Share Exercise Price. All such certificates shall bear a restrictive legend to the effect that, subject to the provisions of Section 8 below, the Shares represented by such certificate have not been registered under the Securities Act of 1933, as amended, or qualified under any state securities laws and the Shares may not be sold or transferred in the absence of such registration and qualification or an exemption thereof, such legend to be substantially in the form set forth in Section 8.2 of this Warrant Certificate.

8. Disposition of Warrants or Shares.

8.1 The Holder of this Warrant Certificate, by its acceptance thereof, agrees that (a) no public distribution of Warrants or Shares will be made in violation of the provisions of the Securities Act of 1933, as amended, and the Rules and Regulations promulgated thereunder (collectively, the "Act"), and (b) during such period as delivery of a prospectus with respect to Warrants or Shares may be required by the Act, no public distribution of Warrants or Shares will be made in a manner or on terms different from those set forth in, or without delivery of, a prospectus then meeting the requirements of Section 10 of the Act and in compliance with all applicable state securities laws. The holder of this Warrant Certificate and each transferee hereof further agrees that if any distribution of any of the Warrants or Shares is proposed to be made by them otherwise than by delivery of a prospectus meeting the requirements of Section 10 of the Act, such action shall be taken only after receipt by the Company of an opinion of its counsel, to the effect that the proposed distribution will not be in violation of the Act or of applicable state law. Furthermore, it shall be a condition to the transfer of the Warrants that any transferee thereof deliver to the Company his or its written agreement to accept and be bound by all of the terms and conditions contained in this Warrant Certificate.

8.2 By acceptance hereof, the Holder represents and warrants that this Warrant Certificate is being acquired, and all Warrant Shares to be purchased upon the exercise of this Warrant Certificate will be acquired, by the Holder solely for the account of the Holder and not with a view to the fractionalization and distribution thereof, and will not be sold or transferred except in accordance with the applicable provisions of the Act and the rules and regulations promulgated thereunder, and the Holder agrees that neither this Warrant Certificate nor any of the Warrant Shares may be sold or transferred except under cover of a registration statement under the Act which is effective and current with respect to such Warrant Shares

or pursuant to an opinion of counsel reasonably satisfactory to the Company that registration under the Act is not required in connection with such sale or transfer. Any Warrant Shares issued upon exercise of this Warrant shall bear a legend to the following effect:

> The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended (the "Act"), or qualified under applicable state securities laws, and are restricted securities within the meaning of the Act. Such securities may not be sold or transferred, except pursuant to a registration statement under such Act and qualification under applicable state securities laws which are effective and current with respect to such securities or pursuant to an opinion of counsel reasonably satisfactory to the issuer of such securities that registration and qualification are not

required under applicable federal or state securities laws or an exemption is available therefrom.

9. Warrant Holder Not Shareholder. This Warrant Certificate shall not be deemed to confer upon the Holder any right to vote the Warrant Shares or to consent to or receive notice as a shareholder of the Company as such, because of this Warrant Certificate, in respect of any matters whatsoever, or any other rights or liabilities as a shareholder.

10. Authorization and Approval. The issuance of the Warrant Shares are subject to appropriate corporate, NASDAQ and regulatory authority approval.

11. Anti-Dilution.

11.1 If the Company at any time, or from time to time, while this Warrant Certificate is outstanding shall declare or pay, without consideration, any dividend on the Common Stock payable in Common Stock, or shall effect a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock (by stock split, reclassification or otherwise than by payment of a dividend in Common Stock or in any right to acquire Common Stock), or if the outstanding shares of Common Stock shall be combined or consolidated, by reclassification or otherwise, into a lesser number of shares of Common Stock, then the number of shares of Common Stock issuable upon the exercise of this Warrant Certificate or the Exercise Price shall be appropriately adjusted such that immediately after the happening of any such event, the proportionate number of shares of Common Stock issuable immediately prior to the happening of such event shall be the number of shares of Common Stock issuable subsequent to the happening of such event.

11.2 In case of any consolidation or merger of the Company in which the Company is not the surviving entity, or in case of any sale or conveyance by the Company to another

entity of all or substantially all of the property of the Company as an entirety or substantially as an entirety, the Holder shall have the right thereafter, upon exercise of this Warrant, to receive the kind and amount of securities, cash or other property which the Holder would have owned or been entitled to receive immediately after such consolidation, merger, sale or conveyance had this Warrant been exercised in full immediately prior to the effective date of such consolidation, merger, sale or conveyance, and in any such case, if necessary, appropriate adjustment shall be made in the application thereafter of the provisions of this Section 11 with respect to the rights and interests of the Holder to the end that the provisions of this Section 11 thereafter shall be correspondingly applicable, as nearly as may be, to such securities and other property.

12. Notices. Except as otherwise specified herein to the contrary, all notices, requests, demands and other communications required or desired to be given hereunder shall only be effective if given in writing, by hand, by certified or registered mail,

return receipt requested, postage prepaid, or by U. S. Express Mail service, or by private overnight mail service (e.g., Federal Express). Any such notice shall be deemed to have been given (a) on the business day actually received if given by hand or by fax, (b) on the business day immediately subsequent to mailing, if sent by U.S. Express Mail service or private overnight mail service, or (c) five (5) business days following the mailing thereof, if mailed by certified or registered mail, postage prepaid, return receipt requested, and all such notices shall be sent to the following addresses (or to such other address or addresses as a party may have advised the other in the manner provided in this Section 12):

If to the Company:	Perma-Fix Environmental Services, Inc. 1940 Northwest 67th Place Gainesville, Florida 32653 Attention: Dr. Louis F. Centofanti Chief Executive Officer Fax No.: (352) 373-0040
with copies simultaneously by like means to:	Conner & Winters One Leadership Square, Suite 1700 211 North Robinson Oklahoma City, Oklahoma 73102 Attention: Irwin H. Steinhorn, Esquire Fax No.: (405) 232-2695
If to the Subscriber:	RBB Bank Aktiengesellschaft Burgring 16, 8010 Graz, Austria Attention: Herbert Strauss Fax No.: 011-43-316-8072, ext. 392

13. Governing Law. This Warrant Certificate and all rights and obligations hereunder shall be deemed to be made under and governed by the laws of the State of Delaware without giving effect to such State's conflict of laws provisions. The Holder hereby irrevocably consents to the venue and jurisdiction of the federal courts located in Wilmington, Delaware.

14. Successors and Assigns. This Warrant Certificate shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

15. Headings. The headings of various sections of this Warrant Certificate have been inserted for reference only and shall not be a part of this Agreement.

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be duly executed, manually or by facsimile, by one of its officers thereunto duly authorized.

Dated as of August 29, 2000.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By /s/ Louis Centofanti

Dr. Louis F. Centofanti
Chief Executive Officer

FORM OF ELECTION TO PURCHASE

SUBSCRIPTION

The undersigned, _____, pursuant to the provisions of the attached Warrant, hereby irrevocably elects to subscribe for and purchase _____ shares of the Common Stock of Perma-Fix Environmental Services, Inc. covered by said Warrant, and hereby tenders payment as follows:

A. by delivery of $_____ in cash or by certified or official bank check for the exercise price per share required under the Warrant which accompanies this notice, or

B. by surrendering _____ Warrants pursuant to a cashless Exercise by Surrender of Warrants as described in Section 2 of the Warrant.

Dated: _____

Signature: _____

Address: _____

Tax Identification or
Social Security Number _____

Signature Guaranteed: _____

THIS NOTE HAS BEEN ACQUIRED FOR INVESTMENT AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), IN RELIANCE ON AN EXCEPTION CONTAINED IN THE SECURITIES ACT. THIS NOTE MAY ONLY BE TRANSFERRED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS UNLESS THERE IS FURNISHED TO THE BUYER AN OPINION OF COUNSEL OR OTHER EVIDENCE SATISFACTORY TO BUYER TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED. THIS NOTE IS SUBJECT TO THE TERMS AND CONDITIONS OF THAT CERTAIN STOCK PURCHASE AGREEMENT DATED MAY 16, 2000 BETWEEN THE MAKER AND THE PAYEE OF THIS NOTE, AS AMENDED BY THE FIRST AMENDMENT TO STOCK PURCHASE AGREEMENT BETWEEN MAKER AND PAYEE.

$2,500,000

Denver,
Colorado
August 31, 2000

GUARANTEED
PROMISSORY NOTE

1. FOR VALUE RECEIVED, the undersigned, Perma-Fix Environmental Services, Inc. a Delaware corporation ("Maker"), hereby promises to pay to the order of Waste Management Holdings, Inc., a Delaware corporation, its successors and assigns, ("Holder") the principal sum of two million five hundred thousand U.S. dollars ($2,500,000), with interest thereon from and including the date hereof at the rate hereinafter set forth.

The principal amount of $2,500,000 shall be due and payable on the earlier of (i) December 31, 2000 or (ii) the business day before the date that the Maker acquires all or substantially all of the outstanding capital stock or assets of another entity after the date of this Note (the "Maturity Date").

2. Interest. The rate of interest payable hereunder shall be eleven and one quarter percent (11.25%) per annum. Interest shall be computed on the basis of a year of 365 or 366 days, as applicable, and actual number of days elapsed. Interest shall be due and payable annually on each anniversary date hereof

3. Default Interest. The amount of all principal and (to the extent permitted by then applicable law) all interest which is not paid when due (whether as set forth above or by acceleration) shall bear interest, from the time such amount becomes due until payment of the amount in default is paid in full, at rate which is equal to the lesser of seventeen and one quarter percent (17.25%) per annum, or the maximum rate of interest permitted by then applicable law.

3. Payments. Maker shall make any payments hereunder to Holder at the address set forth below or such other address as Holder shall designate in writing addressed to Maker. All payments hereunder shall first be applied to unpaid accrued interest and the balance, if any, to principal. If, however, the Holder has incurred costs and expenses of collection, as described below, in enforcing this Note, such payments shall first be applied thereto.

4. Prepayment. Maker may prepay the principal amount outstanding under this Note in whole or in part at any time or from time to time without penalty, notice, or bonus. All

prepayments received shall be applied first in satisfaction of any accrued but unpaid interest and then against all remaining principal.

5. Guaranty. The payment and performance of all of Maker's obligations hereunder shall be guaranteed on a non-recourse basis by Diversified Scientific Services, Inc., by its execution of the form of guaranty attached hereto as Exhibit A.

6. Costs of Collection. Should the indebtedness represented by this Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate, or other court proceedings, or if this Note is placed in the hands of attorneys for collection after default, Maker agrees to pay to Holder, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and costs of collection

7. Setoff. This note is not subject to setoff.

8. Events of and Remedies for Default. The occurrence of any of the following events shall constitute a default under this Note:

(a) default in the payment of any interest or principal installment when due of the Maker to Holder under this Note and such is not cured within ten(10) days from the date of such default;

(b) termination of existence, suspension or discontinuance of business, or business failure of or by Maker;

(c) issuance of any injunction, restraining or other order with respect to any material aspect of the business of Maker, or levy on or attachment of any funds or other property, real or personal, of Maker, if, in each case, the same has a material effect on the ability of Maker to make payments under this Note and the same is not dismissed, discharged, released, satisfied or vacated within a period of thirty (30) days;

(d) appointment of a receiver, trustee, custodian or similar official, for Maker;

(e) conveyance of substantially all of the assets of the Maker to a trust mortgagee or liquidating agent or assignment for the benefit of creditors by Maker;

(f) commencement of any proceeding under any law of any jurisdiction, now or hereafter in force, relating to bankruptcy, dissolution, or reorganization, to the relief of debtors by or against Maker, if such proceeding is involuntary and is not set aside within ninety (90) days from the filing of such involuntary proceeding or immediately if such proceeding is voluntary;

Upon any default described in paragraph (f) above, this Note shall automatically become due and payable, in such case without notice or demand. In addition, the Holder shall have all other rights and remedies under the laws as then in effect in Delaware, and may proceed with any remedy provided for thereby or in this Note.

9. Waivers. Maker, to the fullest extent permitted by applicable law, expressly waives presentment, protest, demand,

notice of dishonor, or default and all exemptions in connection with delivery, acceptance, performance, default, or enforcement of or under this Note or any guaranty of this Note. No renewal or extension of this Note, no release or surrender of any collateral or other security for this Note or any guaranty of this Note, no release of any person, primarily or secondarily liable on this Note (including any Maker, endorser or guarantor), no delay in the enforcement of payment of this Note or any guaranty of this Note, and no delay or omission in exercising any right or power under this Note or any guaranty of this Note shall affect the liability of any Maker, endorser or guarantor of this Note. Maker and each endorser and each guarantor of this Note or of the indebtedness hereby represented agree to pay to Holder, on demand, all costs and expenses of collection, including, without limitation, reasonable attorneys' fees and legal expenses, incurred by Holder in enforcing this Note, whether or not litigation is commenced. No failure by Holder to exercise, or delay by the Holder in exercising, any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy and no single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or of any other right or remedy. Acceptance by Holder of any payment after the maturity of this Note has been accelerated shall not constitute a waiver of such acceleration.

10. Notices. All notices, requests, demands, consents, and other communications which are required or may be given under this Note (collectively, the "Notices") shall be in writing and shall be given either (a) by personal delivery against a receipted copy, (b) by facsimile to the following facsimile numbers, or (c) by certified or registered United States mail, return receipt requested, postage prepaid, to the following addresses:

(i) If to Holder, to:
Waste Management Holdings, Inc
1001 Fannin

Suite 4000
Houston, TX 77002
Facsimile No.: 713- 209-9711

With a copy to:

William A. Jeffry, Esq.
Burns, Figa & Will, P.C.
6400 S. Fiddlers Green Circle
Suite 1030
Englewood, CO 80111
Facsimile No.: 303-796-2777

(ii) If to Maker to:
Dr. Louis F. Centofanti, President
Perma-Fix Environmental Services, Inc.
1940 Northwest 67th Place
Gainesville, FL 32653

With a copy to:

Irwin H. Steinhorn, Esq.
Conners & Winters, A Professional Corporation
One Leadership Square

211 North Robinson
Suite 1700
Oklahoma City, OK 73102
Facsimile No.: 405-232-2695

or to such other address or notice party of which written notice in accordance with the provisions hereof shall have been provided by such party. Notices may only be given in the manner hereinabove described and shall be deemed received when given in such manner.

11. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflict of laws principles.

12. Section Headings, Construction. The headings of sections or paragraphs in this Note are provided for convenience only and will not affect its construction or interpretation. All words used in this Note will be construed to be of such gender or number, as the circumstances require. Unless otherwise expressly provided, the word "including" (i) does not limit the preceding words or terms and (ii) is to be ascribed a non-exclusive meaning.

13. Time of Essence. With regard to all dates and time periods set forth or referred to in this Note, time is of the essence.

Dated on the date first set forth above.

MAKER:

Perma-Fix Environmental Services, Inc

By: /s/ Louis Centofanti

Dr. Louis F. Centofanti
President

THIS NOTE HAS BEEN ACQUIRED FOR INVESTMENT AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), IN RELIANCE ON AN EXCEPTION CONTAINED IN THE SECURITIES ACT. THIS NOTE MAY ONLY BE TRANSFERRED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS UNLESS THERE IS FURNISHED TO THE BUYER AN OPINION OF COUNSEL OR OTHER EVIDENCE SATISFACTORY TO BUYER TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED. THIS NOTE IS SUBJECT TO THE TERMS AND CONDITIONS OF THAT CERTAIN STOCK PURCHASE AGREEMENT DATED MAY 16, 2000 BETWEEN THE MAKER AND THE PAYEE OF THIS NOTE, AS AMENDED BY THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT BETWEEN MAKER AND PAYEE

$3,500,000

Denver,
Colorado
August 31, 2000

PROMISSORY NOTE

1. FOR VALUE RECEIVED, the undersigned, Perma-Fix Environmental Services, Inc. a Delaware corporation ("Maker"), hereby promises to pay to the order of Waste Management Holdings, Inc., a Delaware corporation, its successors and assigns, ("Holder") the principal sum of three million five hundred thousand U.S. dollars ($3,500,000), with interest thereon from and including the date hereof at the rate hereinafter set forth.

The principal amount of $3,500,000 shall be due and payable on August 31, 2005 (the "Maturity Date").

2. Interest. The rate of interest payable hereunder shall be seven percent (7%) per annum. Interest shall be computed on the basis of a year of 365 or 366 days, as applicable, and actual number of days elapsed. Interest shall be due and payable annually on each anniversary date hereof

3. Default Interest. The amount of all principal and (to the extent permitted by then applicable law) all interest which is not paid when due (whether as set forth above or by acceleration) shall bear interest, from the time such amount becomes due until payment of the amount in default is paid in full, at rate which is equal to the lesser of thirteen percent (13%) per annum, or the maximum rate of interest permitted by then applicable law.

4. Payments. Maker shall make any payments hereunder to Holder at the address set forth below or such other address as Holder shall designate in writing addressed to Maker. All payments hereunder shall first be applied to unpaid accrued interest and the balance, if any, to principal. If, however, the Holder has incurred costs and expenses of collection, as described below, in enforcing this Note, such payments shall first be applied thereto.

5. Prepayment. Maker may prepay the principal amount outstanding under this Note in whole or in part at any time or from time to time without penalty, notice, or bonus. All prepayments received shall be applied first in satisfaction of any accrued but unpaid interest and then against all remaining principal.

6. Costs of Collection. Should the indebtedness represented by this Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate, or other court proceedings, or if this Note is placed in the hands of attorneys for collection after default, Maker agrees to pay to Holder, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and costs of collection

7. Setoff. This note is subject to setoff as set forth in the Stock Purchase Agreement between Maker and Holder dated May 16, 2000.

8. Events of and Remedies for Default. The occurrence of any of the following events shall constitute a default under this Note:

(a) default in the payment of any interest or principal installment when due of the Maker to Holder under this Note and such is not cured within ten(10) days from the date of such default;

(b) termination of existence, suspension or discontinuance of business, or business failure of or by Maker;

(c) issuance of any injunction, restraining or other order with respect to any material aspect of the business of Maker, or levy on or attachment of any funds or other property, real or personal, of Maker, if, in each case, the same has a material effect on the ability of Maker to make payments under this Note and the same is not dismissed, discharged, released, satisfied or vacated within a period of thirty (30) days;

(d) appointment of a receiver, trustee, custodian or similar official, for Maker;

(e) conveyance of substantially all of the assets of the Maker to a trust mortgagee or liquidating agent or assignment for the benefit of creditors by Maker;

(f) commencement of any proceeding under any law of any jurisdiction, now or hereafter in force, relating to bankruptcy, dissolution, or reorganization, to the relief of debtors by or against Maker, if such proceeding is involuntary and is not set aside within ninety (90) days from the filing of such involuntary proceeding or immediately if such proceeding is voluntary;

Upon any default described in paragraph (f) above, this Note shall automatically become due and payable, in each case without notice or demand. In addition, the Holders shall have all other rights and remedies under the laws as then in effect in Delaware, and may proceed with any remedy provided for thereby or in this Note.

9. Waivers. Maker, to the fullest extent permitted by applicable law, expressly waives presentment, protest, demand, notice of dishonor, or default and all exemptions in connection with delivery, acceptance, performance, default, or enforcement of or under this Note or any guaranty of this Note. No renewal or extension of this Note, no release or surrender of any collateral or other security for this Note or any guaranty of this Note, no release of any person, primarily or secondarily

liable on this Note (including any Maker, indorser or guarantor), no delay in the enforcement of payment of this Note or any guaranty of this Note, and no delay or omission in exercising any right or power under this Note or any guaranty of this Note shall affect the liability of any Maker, indorser or guarantor of this Note. Maker and each indorser and each guarantor of this Note or of the indebtedness hereby represented agree to pay to Holder, on demand, all costs and expenses of collection, including, without limitation, reasonable attorneys' fees and legal expenses, incurred by Holder in enforcing this Note, whether or not litigation is commenced. No failure by Holder to exercise, or delay by the Holder in exercising, any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy and no single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or of any other right or remedy. Acceptance by Holder of any payment after the maturity of this Note has been accelerated shall not constitute a waiver of such acceleration.

10. Notices. All notices, requests, demands, consents, and other communications which are required or may be given under this Note (collectively, the "Notices") shall be in writing and shall be given either (a) by personal delivery against a receipted copy, (b) by facsimile to the following facsimile numbers, or (c) by certified or registered United States mail, return receipt requested, postage prepaid, to the following addresses:

(i) If to Holder, to:
Waste Management Holdings, Inc
1001 Fannin
Suite 4000
Houston, TX 77002
Facsimile No.: 713- 209-9711

With a copy to:

William A. Jeffry, Esq.
Burns, Figa & Will, P.C.
6400 S. Fiddlers Green Circle
Suite 1030
Engelwood, CO 80111
Facsimile No.: 303-796-2777

(ii) If to Maker to:
Dr. Louis F. Centofanti, President
Perma-Fix Environmental Services, Inc.
1940 Northwest 67th Place
Gainesville, FL 32653
Facsimile No.:

With a copy to:

Irwin H. Steinhorn, Esq.
Conners & Winters, A Professional Corporation
One Leadership Square
211 North Robinson
Suite 1700
Oklahoma City, OK 73102
Facsimile No.: 405-232-2695

or to such other address or notice party of which written notice

in accordance with the provisions hereof shall have been provided by such party. Notices may only be given in the manner hereinabove described and shall be deemed received when given in such manner.

11. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflict of laws principles.

12. Section Headings, Construction. The headings of sections or paragraphs in this Note are provided for convenience only and will not affect its construction or interpretation. All words used in this Note will be construed to be of such gender or number, as the circumstances require. Unless otherwise expressly provided, the word "including" (i) does not limit the preceding words or terms and (ii) is to be ascribed a non-exclusive meaning.

13. Time of Essence. With regard to all dates and time periods set forth or referred to in this Note, time is of the essence.

Dated on the date first set forth above.

MAKER:

Perma-Fix Environmental Services, Inc

By: /s/ Louis Centofanti

Dr. Louis F. Centofanti
President

Non-Recourse
Guaranty of Payment
Of
Promissory Note

WHEREAS, Waste Management Holdings, Inc., ("WM") has been requested to accept a $2,500,000 Promissory Note in lieu of a certain amount of cash from Perma-Fix Environmental Services, Inc.("Debtor"), in connection with the closing of the Stock Purchase Agreement between WM and Debtor dated May 16, 2000 as amended by First Amendment to Stock Purchase Agreement dated August 31, 2000. Said Promissory Note in the principal sum of two million five hundred thousand dollars ($2,500,000.00), dated August 31, 2000 ("Promissory Note"), together with interest thereon at the rate of 11.25 percent per annum and secured by this Guaranty.

WHEREAS, WM has declined to accept the Promissory Note unless said Promissory Note shall be guaranteed on a non-recourse basis by Diversified Scientific Services, Inc., a Tennessee corporation ("Guarantor") and unless such guaranty shall be secured by certain assets of Guarantor.

NOW, THEREFORE, in consideration of WM's promise to accept the Promissory Note, and for other valuable consideration received, Guarantor hereby unconditionally and irrevocably guarantees pursuant to the terms of this Agreement, WM., its successors and assigns, the prompt and full repayment of the principal sum owing on said Promissory Note, and all interest accrued and to accrue thereon in accordance with its terms, except that Guarantor shall be liable for the outstanding principal on said Note, together with only so much of the interest owing thereon that would not exceed the lawful rate for individual borrowers applicable at the time the Note was made.

The Guarantor does hereby guarantee and become a surety, without personal liability, to WM for the prompt satisfaction when due, whether by acceleration or otherwise, of Debtor's obligations under the Promissory Note subject to the terms of this Guaranty.

The Guarantor agrees that if Debtor's obligations under the Promissory Note are not satisfied when due, either at maturity or by acceleration or otherwise, the Guarantor shall upon demand by WM forthwith satisfy such indebtedness of the Debtor to the extent and only to the extent of the Collateral pledged pursuant to this Guaranty shall satisfy Guarantor's obligations hereunder, and provided that this Guaranty is non-recourse to the Guarantor hereunder and is limited to the proceeds derived from the public sale of the Collateral by Guarantor acting in good faith to achieve the highest possible sales price for the Collateral or at the sole election of WM, by surrendering the Collateral to WM. If the Collateral is sold at a public sale the costs and expenses of such sale shall be borne by Guarantor.. The Guarantor shall not be liable for any deficiency which may remain under the Promissory Note or otherwise upon the public sale of the Collateral.

A separate cause of action may be brought and prosecuted against the Guarantor without the necessity of joining the Debtor or previously proceeding or exhausting any other remedy against the

Debtor or any other person who might have become liable for the indebtedness by assumption thereof or of realizing upon any security then held by noteholder to secure such indebtedness.

The Guarantor hereby specifically waives any and all defenses to any action or proceeding brought to enforce this Guaranty or any part of this Guaranty either at law or in equity, except the single defense that the sum claimed has actually been paid to the holder of the Promissory Note. Without limiting the foregoing in anywise but merely by way of illustration, Guarantor specifically waives any and all technical, dilatory or nonmeritorious defenses, and any defense predicated upon and including but not limited to:

1) Change or modification of the Promissory Note.
2) Indulgence or forbearance in enforcement of any term of either the Promissory Note or any other instrument securing affecting or modifying said Note or any term for the repayment of the indebtedness it evidences.
3) Change of ownership of any of the assets securing this Guaranty.
4) A release of all or any part of the security, whether for valuable consideration or otherwise.
5) Acquiring additional security
6) Substitution of different security in exchange or exchanges for part or parts of the original security.
7) The fact that there may be persons other than the Guarantor, solvent and responsible for the payment of the indebtedness.

The Guarantor hereby assigns and grants to WM a continuing general lien on, and security interest in, all of Guarantor's right, title and interest in, and to the collateral described in Schedule 1 attached hereto and hereby made a part of this Guaranty (the "Collateral")to secure the payment and performance of all of Guarantor's obligations under this Guaranty.

The Guarantor hereby represents, warrants and covenants, and for so long as this Guaranty is in effect shall be deemed to continuously represent, warrant and covenant, that:
The Guarantor is the owner of the Collateral and, except for the first priority security interest granted by Guarantor to WM pursuant hereto, and the second lien and security interest in and to the Collateral granted by the Guarantor to its lender, the Collateral and each part thereof is free and clear from, and is not subject to, any security interest, mortgage, pledge, lien, levy for taxes or other assessment, interest, charge, adverse claim or other encumbrance, including any financing statement or other document file din any public office (collectively, the "encumbrances"); and Guarantor shall keep and maintain the Collateral, and each part thereof, in good condition, ordinary wear and tear excepted;

Notwithstanding the above, if any portion of the Collateral was in the possession of Guarantor at the time of the Closing of the transaction contemplated by the Stock Purchase Agreement, and such Collateral is not owned by the Guarantor or is subject to a lien or security interest in breach of WM's representations, warranties or covenants contained in the Stock Purchase Agreement, then such shall not be a breach of this Agreement.

(a) The Guarantor shall, at its sole cost and expense, defend its right, title and interest in and to the Collateral, and defend the Collateral against any claims of infringement and all

other claims or demands of any other party and all other liabilities of any nature whatsoever;

(b) The Collateral is personalty and the Guarantor shall not, except with the prior written consent of WM, affix the Collateral to real estate in such a manner as to cause the Collateral to become a fixture, as such term is defined in Section 9-313 of the Uniform Commercial Code of Tennessee or to become part of real estate; if the Collateral is or in the opinion of WM may become a fixture or part of any real estate, the Guarantor shall give WM a written waiver by the record owner of such real estate of all interest in the Collateral and a written subordination by any person who has a lien on such real estate which is or may be superior to the security interest created by this Agreement;

(c) The Guarantor shall, at its expense, maintain the Collateral and every part thereof in good operating condition and shall not permit anything to be done or any condition to exist that may impair the value of the Collateral, ordinary wear and tear excepted;

(d) The Guarantor shall at all times and at its expense keep the Collateral fully insured against risks of loss or physical damage by collision, upset, fire (including so-called extended coverage), theft and other casualties as WM may reasonably require, losses in all cases to be payable to WM and the Guarantor as their interests may appear; all policies of insurance shall provide for at least ten days' prior written notice of cancellation to WM; the Guarantor shall promptly furnish WM with certificates of insurance or other evidence satisfactory to WM as to compliance with the provisions of this Section; the Guarantor further agrees that, in the event it shall fail to pay the premium on any such insurance; WM may do so and the Guarantor shall promptly reimburse WM for such expense.

(e) The Guarantor shall duly and promptly pay and discharge, or cause to be paid and discharged, (i) all taxes, assessments and governmental charges or levy upon or against it or its profits, income, properties or assets and when such became due, except Guarantor may contest such in good-faith, (ii) all lawful claims, for labor, materials, supplies, or services, becomes a lien or charge upon the Collateral, unless and to the extent only that the same are being diligently contested in good faith by appropriate proceedings and appropriate reserves therefore have been established in accordance with generally accepted accounting principles consistently applied;

(f) The Collateral, or any part thereof, will not be sold, assigned, conveyed, transferred, disposed of or become subjected to any subsequent interest of any party, created or suffered by the Guarantor, voluntarily or involuntarily, except as expressly authorized in writing by WM, except in the ordinary course of business or to replace such because of damage or obsolence of such, provided, however that such replacement of the Collateral or any part thereof shall have a fair market value equal to or in excess of the Collateral replaced, that Guarantor provide WM

written notice of the replacement within ten days thereof and htat the property replacing the Collateral be deemed substituted for the original Collateral and subject to this Guaranty;

(g) The Guarantor, at its sole cost and expense, shall duly

execute, deliver and file, or cause to be duly executed, delivered or filed, financing, continuation or termination statements, certificates of title for endorsement with respect to the security interested created by this Agreement and such other instruments and documents as WM may request, and do and cause to be done such acts and things as WM may at any time reasonably request in order to enforce, perfect and protect its security interest in the Collateral as herein provided and its rights and remedies with respect to the Collateral;

(h) No other Obligation shall be released, discharged, or impaired in any manner or to any extent if: (i) WM renews, extends, modifies, changes or waives the time of payment and/or the manner, place or terms of payment of all or any part of any obligation secured hereby or any renewal thereof; or (ii) WM makes any exchange, release, substitution, addition, surrender, settlement or compromise with WM subordinates an obligation or the Collateral, or both, to any other indebtedness of the Guarantor or security therefore, or both, which may exist at any time hereafter and no right of WM shall be impaired by any of the foregoiung, including its right to declare a subsequent default of the Promissory Note, this right bring deemed a continuing one;

(i) The Guarantor shall promptly notify WM of any act, condition or event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default hereunder, including the existence of any material litigation, arbitration or other legal proceedings involving or affecting the collateral; and The liability hereunder assumed shall not be affected by the acceptance of any settlement or composition by Guarantor either in liquidation, readjustment, receivership, bankruptcy or otherwise, except only to the extent that such settlement has resulted in actual payment of a part of the indebtedness, and then only to that extent.

WM shall not be required to give notice to Guarantor of any failure or omission on the part of Guarantor to meet any payment sooner than at the time payment hereunder is demanded, and Guarantor expressly waives any other notice.

The undersigned Guarantor hereby agrees to waive any rights of subrogation of WM or any beneficiary of the Guaranty until such time as WM or the beneficiary has received payment under the aforementioned Note.

Nothing contained in this Guaranty shall be construed as obliging Guarantor in anywise to be responsible for interest in excess of what would be lawful for Guarantor to pay under the circumstances.

This instrument is to be construed as a continuing, binding, absolute, and unconditional guaranty that shall remain in full force and effect as written until actual payment of said

Promissory Note, both principal and interest, or until terminated by agreement between the Guarantor and the holder of this guaranty. To the extent permitted by law, Guarantor shall pay all reasonable attorney fees and other costs and expenses incurred by WM in the event that WM shall be obliged to resort to the courts or require the services of an attorney to collect hereunder or to protect or preserve the Collateral.

If any part of this guaranty agreement shall not be valid under

the laws or the state or jurisdiction where the premises encumbered by the mortgage that secures the Promissory Note concerning which this guaranty has been issued is located, such part shall be rendered inoperative, but the remainder of this guaranty shall be enforced.

Wherever the name of WM appears, the rights and authority granted WM shall inure to the benefit of its successors and assigns (whether such statement follows WM's title or not), and the agreement contained herein by Guarantor shall bind the successors and assigns of Guarantor.

IN WITNESS WHEREOF the Guarantor has executed this guaranty on this 31st day of August, 2000.

DIVERSIFIED SCIENTIFIC SERVICES, INC.

By: /s/ Robert G. Simpson
_____

Title: President
_____