

GENERAL MAINTENANCE AGREEMENT
With
Rotary Kiln and Dryer Metal of America
PERIOD OF:
APRIL 1, 2004 THROUGH MARCH 31, 2006
FOR
ROTARY DRYER & KILN

GENERAL:

The General Maintenance Agreement guarantees Rotary Kiln and Dryer Metal of America a yearly evaluation of the vessel at no cost, published manhour rates remaining in effect throughout the agreement, and immediate response to rotary vessel emergencies. RSC personnel will be provided within twenty-four hours of notification by Rotary Kiln and Dryer Metal of America Replacement parts are provided at cost plus 10% with installation by RSC.

DESCRIPTION OF REPAIRS OR MAINTENANCE COVERED BY AGREEMENT:

TRUNNION ROLL REPLACEMENT:

The Rotary Service Company removes trunnion rollers and replaces them with trunnion rollers supplied by the Rotary Service Company.

RSC's trunnion rollers are made from 4140 steel and hardened to a BHN of 280 - 320. Shafts are machined from 1045 steel, unless otherwise specified by Rotary Kiln and Dryer Metal of America

The Rotary Service Company installs new bearings on the trunnion roller shafts. RSC cleans and repacks the existing housings with grease provided by Rotary Kiln and Dryer Metal of America. The area around and under the trunnions are cleaned of dirt, grease, oil or other lubricants and placed in containers provided by Rotary Kiln and Dryer Metal of America.

TRUNNION ASSEMBLY MAINTENANCE:

The Rotary Service Company removes the covers from bearing housings on each trunnion to inspect the bearings for excessive wear, flat spots, & excessive thrust evident in the bearing assembly. Shafts are inspected for flat spots, cracks or wear. Bearings are cleaned and repacked with grease provided by Rotary Kiln and Dryer Metal of America. The area around and under the trunnion is cleaned of dirt, grease, oil or other lubricants and placed in containers provided by Rotary Kiln and Dryer Metal of America

Note 1: *Should bearings be found defective, RSC will remove the bearings and replace them with bearings provided by Rotary Kiln and Dryer Metal of America Inc at special T&M man-hour rates, initialed daily on the RSC Customer Acceptance Form by an authorized representative of Rotary Kiln and Dryer Metal of America*

Note 2: *Should trunnion shafts found to be defective, RSC will remove the trunnion and replace it with one provided by Rotary Kiln and Dryer Metal Powder of America Inc at special T&M man-hour rates, initialed daily on the RSC Customer Acceptance Form by an authorized representative of Rotary Kiln and Dryer Metal of America*

THRUST IDLER REPLACEMENT:

The Rotary Service Company removes thrust idlers and replaces them with thrust idlers supplied by the Rotary Service Company.

THRUST IDLER ASSEMBLY MAINTENANCE:

The Rotary Service Company removes both thrust idlers to inspect the bearings for excessive wear, flat spots, & excessive thrust evident in the bearing assembly. Shafts are inspected for flat spots, cracks or wear. The thrust button is inspected for cracks, metal fatigue or other indicators of unusual wear.

Bearings are cleaned and repacked with grease provided by Rotary Kiln and Dryer Metal of America. The area around and under the thrust idler assembly is cleaned of dirt, grease, oil or other lubricants and placed in containers provided by Rotary Kiln and Dryer Metal of America. Grease journals will be cleaned and new grease inserts installed as necessary, provided by Rotary Kiln and Dryer Metal of America.

The thrust idler is reassembled, reinstalled on the unit, checked for proper clearance to the tire and its supports, with RSC shimming as necessary.

Note 1: *Should bearings be found defective, RSC will remove the bearings and replace them with bearings provided by Rotary Kiln and Dryer Metal Powder of America Inc at special T&M man-hour rates, initialed daily on the RSC Customer Acceptance Form by an authorized representative of Rotary Kiln and Dryer Metal of America.*

Note 2: *Major problems identified during the maintenance of the thrust idler assembly, such as loose anchor bolts, trunnion base assemblies off slope or incorrectly aligned, cracked welds, metal fatigue, and broken or cracked grout will be reported and addressed only after receiving authorization from Rotary Kiln and Dryer Metal of America. Major repairs will be made at special T&M man-hour rates, initialed daily on the RSC Customer Acceptance Form by an authorized representative of Rotary Kiln and Dryer Metal Powder of America Inc, or as quoted by RSC separately and accepted by Rotary Kiln and Dryer Metal Powder of America Inc.*

GEAR ALIGNMENT:

The Rotary Service Company removes the gear guards and performs run-outs along the face and sides of the gear to identify misaligned sections of gear, radial misalignment, and axial misalignment of the gear. Gear mounting assemblies are inspected for wear, cracks or fractures of the component parts of the assembly. New gear bolts and other necessary mounting hardware supplied by Rotary Kiln and Dryer Metal Powder of America Inc are installed and the gear brought to acceptable tolerances by shimming as necessary. Run outs are validated prior to locking the gear into place. The Pinion gear is aligned to make contact with the main gear along the entire face of the pinion. Backlash is checked and adjusted to bring the gear faces into tolerance. Gear guards are reinstalled on the unit.

Note 1: *Gears showing uneven wear along the surface of the teeth cannot be correctly aligned and will create noise and vibration within the drive system of the unit. Gear reversal or replacement may be necessary when this occurs.*

Note 2: *Gears welded directly to the unit must be cut loose and reinstalled using a bolted flange or sprung gear-mounting assembly before it can be properly aligned.*

Note 3: *Rotary Kiln and Dryer Metal of America Inc will provide mounting hardware necessary to perform the gear alignment.*

Note 4: *Coupling, motor or reducer misalignment will be corrected by RSC at special T&M man-hour rates, initialed daily on the RSC Customer Acceptance Form by an authorized representative of Rotary Kiln and Dryer Metal of America.*

SEALS & SEAL SYSTEM REPLACEMENT:

The Rotary Service Company removes the old seals from the unit and replaces them with new seals provided by The Rotary Service Company.

MAINTENANCE AGREEMENT PRICING STRUCTURE

- MAINTENANCE AGREEMENT (THREE YEAR RATE):**.....
- PRECISION GRINDING PRICE:**
- UNIT ALIGNMENT PRICE:**.....
- TRUNNION ROLLER REPLACEMENT PRICE:**.....
- TRUNNION ASSEMBLY MAINTENANCE PRICE:**
- THRUST IDLER ASSEMBLY REPLACEMENT PRICE:**.....
- THRUST IDLER ASSEMBLY MAINTENANCE PRICE:**
- GEAR ALIGNMENT PRICE:**
- SEALS & SEAL SYSTEM REPLACEMENT PRICE:**
- MOBILIZATION, TRAVEL, LODGING, PER-DIEM & CONSUMABLES PRICE:**

TERMS AND CONDITIONS

- 1. Terms: Mobilization and materials at arrival on site, remainder net 10 days**
- 2. Prices do not include taxes. Taxes that may be required under existing or future law as a result of this order will be payable by Rotary Kiln and Dryer Metal of America Inc to The Rotary Service Company on demand.**
- 3. Extended delays (more than 2 hours) caused by Rotary Kiln and Dryer Metal of America Inc or their contractors will result in additional charges on a time and material basis**
- 4. Price remains in effect for a period of 3 years from the date agreement is executed**

EXCLUSIONS FROM THIS PROPOSAL

Rotary Kiln and Dryer Metal of America Inc will be prepared to provide the following to RSC upon demand:

- 1. 460 volt, 3 phase, and 120 volt, single-phase electrical power**
- 2. 45 to 80 PSI compressed air, supplied at 10 CFM**
- 3. A forklift and operator**
- 4. Cranes, crane operators & oilers**
- 5. Restroom and break facilities.**
- 6. Welding and cutting gasses**
- 7. Miscellaneous angle iron for constructing grinding platforms**
- 8. Containers for, and the disposal of, rags, grease and other cleaning materials or chemicals used by RSC in the execution of this quote**
- 9. Gearbox seals, bearing housing seals, drive belts or other consumable materials as required, unless otherwise addressed in this quote**
- 10. Pressing operations to install/remove bearings, unless otherwise addressed in this quote**
- 11. Removal of obstructions that interfere with completion of the scope of work**
- 12. Removal/reinstallation of exterior insulation systems**
- 13. Repairs to refractory lining resulting from work performed under this quote**

THE ROTARY SERVICE COMPANY

LIMITED WARRANTY, DISCLAIMER OF IMPLIED WARRANTIES, AND GENERAL LIMITATION OF LIABILITY

Limited Warranty. The Rotary Service Company ("RSC") warrants its goods supplied and work performed to be free from defects in material or workmanship under normal use and service for a period of 12 months from the date of the contract covering such goods or work. RSC's employees and agents have no authority to give any warranty that exceeds that set forth in the preceding sentence.

Disclaimer of Implied Warranties. **RSC DISCLAIMS ANY IMPLIED WARRANTY OF ANY KIND, INCLUDING SPECIFICALLY THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

Exclusive Remedy for Breach of Warranty. Except to the extent that RSC is entitled to be indemnified under a policy of insurance effected pursuant to the requirements of the contract, the liability of RSC for any defect in the goods supplied or work performed is limited to the repair or replacement, at RSC's option, of any nonconforming goods or work resulting from defects in material or workmanship under normal use and service which are reported to RSC within 12 months from the date of the contract covering such goods or work.

THE REMEDY OF REPAIR OR REPLACEMENT OF THE NONCONFORMING GOODS OR WORK SHALL BE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO THE BUYER OR ANY OTHER PERSON. IN THE EVENT THAT REPAIR OR REPLACEMENT IS NOT ACHIEVED OR OTHERWISE IS AN INEFFECTIVE REMEDY, THE BUYER'S SOLE AND EXCLUSIVE ADDITIONAL REMEDY IS THE RIGHT TO RECOVER AN AMOUNT NOT TO EXCEED THE AMOUNT PAID TO RSC FOR THE NONCONFORMING GOODS OR WORK, EXCEPT FOR SUCH REPAIR, REPLACEMENT, OR REFUND.

General Limitation of Liability. Except as set forth in the Exclusive Remedy for Breach of Warranty, RSC SHALL NOT BE LIABLE TO BUYER OR TO ANY THIRD PARTY FOR ANY LOSS, INJURY, EXPENSE, OR DAMAGE, WHETHER DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR OTHERWISE, ARISING FROM OR RELATED TO THE GOODS SUPPLIED OR WORK PERFORMED, WHETHER A CLAIM FOR SUCH DAMAGES IS BASED UPON WARRANTY, CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL OR EQUITABLE THEORY OR CAUSE OF ACTION.

Completion or Start-up Dates not guaranteed. All completion or start-up dates specified in the contract are estimates only and are not guaranteed. RSC SHALL NOT BE LIABLE FOR ANY LOSSES OR DAMAGES (WHETHER DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR OTHERWISE) RESULTING FROM ANY DELAYS IN COMPLETION OF THE FIELD SERVICE PROJECT OR START-UP OF THE EQUIPMENT.

Scope and Continuing Effect. The foregoing disclaimers of warranties and limitations of liability apply to all liability whatsoever arising under, or out of, or in the course of this contract or the performance thereof and continue to apply notwithstanding rescission, repudiation or termination of the contract for any reason, whether deliberate, unintentional, or by operation of law.

All rates will be given upon a scheduled Plant Evaluation visit:

ROTARY SERVICE COMPANY
FIELD PERSONNEL RATE SHEET
UNDER MAINTENANCE AGREEMENT WITH ROTARY KILN AND DRYER METAL OF AMERICA
EFFECTIVE APRIL 1, 2004

STANDARD RATES	RATES
SUPERVISOR, STRAIGHT TIME -	\$.00/HR + EXPENSES
SUPERVISOR, OVER TIME	\$00/HR + EXPENSES
MILLWRIGHT/WELDER, STRAIGHT TIME -	\$00/HR + EXPENSES
MILLWRIGHT/WELDER, OVER TIME	\$00/HR + EXPENSES
LABORER, STRAIGHT TIME	\$00/HR + EXPENSES
LABORER, OVER TIME	\$00/HR + EXPENSES

RSC'S WORKWEEK BEGINS ON MONDAY AND ENDS ON FRIDAY, WITH OVERTIME OCCURRING ON SATURDAY, SUNDAY, AND HOLIDAYS. OVERTIME IS PAID AFTER 8 HOURS PER DAY, HOLIDAY AND EMERGENCY SERVICE RATES ARE 1.5 TIMES NORMAL RATES. STANDBY RATES ARE EQUAL TO THOSE QUOTED ABOVE. MINIMUM CHARGE OF 8 HOURS WILL BE INVOICED REGARDLESS OF ACTUAL HOURS ON SITE.

RECONDITIONING TIRES AND TRUNNION ROLLERS:

HOURLY RATES TO RECONDITION A TIRE, IS \$ FOR OVERTIME. THIS RATE IS INCLUSIVE OF RENTAL OF TIRE GRINDING EQUIPMENT, ALONG WITH LABOR HOURS USED DURING SETUP & GRINDING.

HOURLY RATES TO RECONDITION TRUNNION ROLLERS, HOUR FOR OVERTIME. THIS RATE INCLUDES RENTAL OF THE TRUNNION GRINDER, ALONG WITH LABOR HOURS USED DURING SETUP & GRINDING.

PER DIEM PER PERSON **LODGING-** RECEIPTS
FURNISHED UPON REQUEST, ACTUAL RATE/DAY PLUS

TRAVEL PAID AS FOLLOWS:

ROUNDTRIP MILEAGE FOR PERSONNEL FROM SHOP, (OR LOCATION AS STATED IN THE PROPOSAL), TO THE JOB SITE

COMPANY VEHICLE EXPENSES – PER TRUCK AND TRAILER *TRAVEL BY OTHER THAN COMPANY*
VEHICLE (I.E. RENTAL CAR, AIRLINES) INVOICED AT COST PLUS

COPIES OF WEEKLY TIME SHEETS FURNISHED UPON REQUEST. AN AUTHORIZED REPRESENTATIVE OF THE CUSTOMER MUST SIGN TIME SHEETS FOR TIME AND MATERIAL RELATED WORK ON A DAILY BASIS.

LABOR RATES ARE BASED ON INDIANA'S WORKERS' COMPENSATION RATES AND REPRESENT THE MINIMUM CHARGE APPLICABLE. ADJUSTMENTS FOR HIGHER WORKER'S COMP RATES IN OTHER STATES MAY BE APPLIED.

*CONSUMABLES ARE INVOICED AT COST PLUS, WITH RECEIPTS FURNISHED UPON REQUEST.

*ADJUSTMENTS FOR WORKER'S COMP. RATES MAY HAVE TO BE MADE IN SOME STATES.

*TERMS ARE NET 10 DAYS, UNLESS OTHERWISE INDICATED.

EQUIPMENT:

FURNISHED AT NO COST, OTHER THAN SPECIFIED IN EXCLUSIONS