

**INDUCTOTHERM**
Corporation

Manufacturers of Induction Melting & Heating Equipment

July 23, 1964

LEASE AGREEMENT NO. 61964-1-DDD (Revised)

Between

SINSCO, INC.
Columbianna, Alabama

and

INDUCTOTHERM CORPORATION
Rancocas, New Jersey

AGREEMENT OF LEASE, made the twenty-eighth (28th) day of July, between Inductotherm Corporation, having its principal place of business at Rancocas, New Jersey, (hereinafter called the "Lessor") and Sinasco, Inc., having its principal place of business at Columbianna, Alabama, (hereinafter called the "Lessee").

W I T N E S S E T H :

THAT, for and in consideration of the agreement of the Lessee to pay the rental provided for and perform the terms, conditions and agreements on the Lessee's part herein contained, the Lessor does hereby lease to the Lessee the high frequency induction melting equipment described in and at the rate provided in "Exhibit A" attached hereto and made a part thereof, upon the following terms and conditions.

1. Terms of Lease: This Lease Agreement shall be deemed to run for a period of Ten (10) years, One Hundred Twenty (120) months, for the equipment included hereunder, beginning with the first day of the first month following shipment of the included equipment from the Lessor's plant.

2. Option to Terminate: The Lessee may, at its sole option, terminate this Lease at any time after Thirty-Six (36) monthly rental payments have been made. Written notice of Lessee's intent to exercise this option to terminate the lease shall be given the Lessor at least thirty (30) days prior to date of desired termination.

3. Title to Equipment: Title to the said induction equipment covered by this lease shall remain in the Lessor. Upon Lessee's failure to pay the rental provided for in "Exhibit A" or upon any other default, Lessor shall have the right to repossess such equipment provided such default shall not have been cured within thirty (30) days after written notice thereof given by Lessor to Lessee.

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In the event of repossession of equipment by Lessor, the remaining rental payments for the thirty-six (36) months minimum rental period will immediately become due. If the Lessor, at the request of Lessee should delay repossession of the said equipment, an interest charge of one percent (1%) per month will be applied to all rental payments overdue by more than thirty (30) days.

4. Transportation: The Lessee agrees to bear and pay for transportation charged for delivery of the leased equipment from the Lessor's plant in Rancocas, New Jersey, to the point of installation of the equipment and for return of the leased equipment to the Lessor's plant in Rancocas, New Jersey, at the end of the lease term or upon termination of this agreement.

In the event of any damages in transit either to the plant of the Lessee or upon the return of the leased equipment in shipment to the Lessor's plant at Rancocas, New Jersey, the Lessee agrees to subrogate its interest in any claim against a public carrier for damages in transit.

In addition, the Lessee agrees to furnish to the Lessor immediately all information needed by the Lessor to prosecute its claim arising out of damages in transit. Any insurance claims made as a result of in-transit damage shall be made in the interest of the Lessor notwithstanding the fact that the freight or delivery charge is paid by the Lessee.

5. Service of Equipment: Lessor will make periodic inspection of the equipment and will render service to keep this leased equipment in good working order at its sole expense, as part of the rental provided for in Exhibit "A" and providing all rental payments are up to date. Notwithstanding the foregoing:

- a/ The Lessee agrees to perform all normal maintenance and upkeep, including furnaces, coils and leads.
- b. Lessee agrees in case of equipment breakdown to attempt to locate cause of breakdown or failure and to give Lessor an analysis of the cause prior to Lessor furnishing a service man to repair the equipment. If the cause of breakdown cannot be determined by the Lessee in approximately a two-hour time interval, the Lessor will, within twenty-four (24) hours, send a service man to Lessee's plant to make the necessary repairs.
- c. Lessee agrees to make any minor repairs to the equipment where such repairs require less than two (2) hours labor, at Lessee's expense. All material furnished for such minor repairs will be furnished at no extra cost to the Lessee by the Lessor.
- d. If any repairs and adjustments are required by reason of Lessee's fault, or negligence, said repairs and adjustments shall be at Lessee's expense. Lessor assumes no responsibility for repairs or maintenance on the melting furnaces, induction coils or power leads connected to the furnace.

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e. Lessor is excused from rendering the service provided for in this paragraph if it is prevented from rendering such service as a result of strike, riot, fire, flood, war, or acts of God. It is agreed that ingress and egress from Lessee's premises by Lessor's employees shall be subject to Governmental security regulations.

6. Liability of Lessee: The Lessee agrees to hold and care for said induction equipment as the property of the Lessor, and shall return the same to the Lessor at the end of the lease term or upon termination of this Lease Agreement, in the same condition as received, except for ordinary wear and tear and damage or destruction by fire or unavoidable casualty.

In the event of damage or destruction by unavoidable casualty, the Lessor agrees to replace said high frequency induction equipment with other equipment of like kind, age and quality, within thirty (30) days from notice by the Lessee to the Lessor of such damage or destruction. If the Lessor fails to replace said equipment within this thirty (30) day period, then the rental therefore shall abate until Lessor so replaces the equipment.

In the event of loss, damage or destruction of said high frequency induction equipment resulting from the act or acts of its agents, servants or employees, the Lessee shall be liable to the Lessor for the cost of replacement with other equipment of like kind, age and quality.

7. Liability for Taxes: The Lessee shall be liable for all local taxes levied by the City or State in which the equipment is to be located, (other than taxes imposed upon or measured by the income of the Lessor).

8. Extent of Agreement: As a condition precedent to this Agreement, the Lessee agrees to deliver to the Lessor, if requested by Lessor, the separate fully executed Landlord and/or Mortgagee waiver and release form as prepared and submitted by the Lessor. This release shall pertain to and cover all of Lessor's equipment situated in Lessee's possession under this or any other deferred payment contract.

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

Hugh M. Sims, Jr.
President

[Signature]
INDUCTOTHERM CORPORATION
Treasurer

Sept. 10, 1964
(Date)

10/31/64
(Date)

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EXHIBIT "A"

I. EQUIPMENT TO BE LEASED

ITEM #1

One (1) INDUCTO 500 KW TRI-LINE Power and Control Unit:

RATED: 500 KW
480 volts, 3 phase, 60 cycles - input
750 volts, 1 phase, 180 cycles - output

POWER COMPONENTS

Enclosed in heavy gauge, front access, steel cubicles:

- (a) One three-pole, solenoid operated, unfused main line contactor complete with overload relays.
- (b) Inductotherm developed frequency tripling transformers, self-stabilizing, vacuum encapsulated, high efficiency, grain oriented, toroidal type, water-cooled, with sufficient internal reactance to limit short circuit currents to self-protecting values.
- (c) Primary capacitor bank sized to correct the line power factor to approximately 90%.
- (d) Secondary capacitor bank complete with magnetically operated capacitor contactors to resonate the induction coil through its full range of melting conditions. The secondary capacitors will be equipped with the new INDUCTO developed capacitor fault detector and indicator.
- (e) One 440/110 volt control power transformer, properly sized and fused.
- (f) Necessary potential transformers, properly fused, and current transformers for instrument and control circuits.
- (g) Miscellaneous bus bar, overcurrent and overvoltage relays, door locks, fuses, terminal blocks, power and control wiring, water lines, hoses, etc., all installed within the cubicle.

CONTROL & INSTRUMENTATION COMPONENTS

Mounted on a hinged door of a power cubicle:

- (h) Three (3) large face type instruments:
 - 1. Ammeter for 60 cycle input line
 - 2. Voltmeter for 180 cycle circuit
 - 3. Kilowattmeter for 180 cycle circuit

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- (i) Push buttons and indicating lights for main line contactor.
- (j) Power Control Unit: 31 position rotary power selector switch for coarse tuning with additional 4 position rotary power selector for fine tuning - providing 124 power positions.
- (k) One INDUCTO interlock circuit monitor with indicating lights, test and reset buttons and relays to indicate circuit troubles on all safety devices and interlocks.
- (l) One INDUCTO continuously monitoring ground and molten leak detector unit, with double indicating lights, millimeter, by-pass switch, sensitivity rheostat and test push button for testing the circuit.
- (m) Miscellaneous terminal blocks and wiring.

ITEM #2

One (1) SPA31600W non-automatic breaker, 1600 amp in NEMA 1 enclosure for separate mounting.

ITEM #3

One (1) INDUCTO 3,000 pound steel capacity steel shell melting furnace, trunnion mounted with integral hydraulic tilting mechanism, using two hydraulic cylinders, of adequate capacity to power the tilting and righting of the furnaces in smooth, easy movements. The furnaces will be complete with tilting stanchions, water-cooled leads. Furnace to include hydraulically operated insulating cover.

ITEM #4

Approximately 16' 1/4" x 6" fabricated bus.

ITEM #5

Three (3) sets of installation drawings, including wiring diagram, water diagram, general assembly drawings of cubicles, furnaces, etc., layout drawing and furnace cross section drawings and copies of installations and operating instruction booklets, complete with renewal parts data.

ITEM #6

One (1) hydraulic power supply, mounted in the main cubicle and consisting of hydraulic pump, motor, motor-starter, reservoir relief valve, pressure valve, etc., but not including hydraulic fluid.

II. SCHEDULE OF PAYMENTS

The scheduled rental payments shall be made in accordance with the following schedule:

- A. The monthly rental shall be One Thousand Two Hundred Nineteen Dollars and Ninety-Four Cents (\$1,219.94) per month. The first month's rental will be paid by Lessee upon replacement of order, and will cover the first month's rent starting with the shipment of the equipment.
- B. Rental for the second month and each month thereafter will be due on the same date of each successive month.

Hugh M. Sims, Jr.
President
Sept 10, 1964
(Date)

INDUSTRIAL CORPORATION
Treasurer
11/30/64
(Date)

STATE OF ALA. SHELBY CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON 11/30 1964
RECORDED 3 MTG. TAX
& \$108.00 HAS BEEN
PD. C.
Conrad M. Vinkler
JUDGE OF PROBATE

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