

5939

INDUCTOTHERM
Corporation

Manufacturers of Induction Melting & Heating Equipment

June 16, 1965

LEASE AGREEMENT NO. 61665-1-DRD

Between

SIMSCO, INC.
Columbiana, Alabama

and

INDUCTOTHERM CORPORATION
Rancocas, New Jersey

AGREEMENT OF LEASE, made the sixteenth (16th) day of June, 1965, between INDUCTOTHERM CORP., having its principal place of business at Rancocas, New Jersey, (hereinafter called the "Lessor"), and Simsco, Inc., having its principal place of business at Columbiana, 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, for the equipment included hereunder, beginning with the first day following shipment of the included equipment from the Lessor's plant, or as otherwise indicated in "Exhibit A".

2. TITLE TO EQUIPMENT: Title to 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.

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 the 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.

3. 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.

4. SERVICE OF EQUIPMENT: Lessor will make periodic inspections 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.
- 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's 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 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 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 reasons 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.
- 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 or egress from Lessee's premises by Lessor's employees shall be subject to Governmental security regulations.

5. 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) days, 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.

6. 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).

7. 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.

8. 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 thirty (30) days prior to date of desired termination.

9. OPTION TO BUY: Does not apply.

IN WITNESS WHEREOF, the parties have hereunto executed this AGREEMENT OF LEASE the day and year first above written:

Hubert M. Sims, Jr., President
Simco, Inc.

Robert T. Ruhl
INDUCTOTHERM CORP.

July 23, 1965
(Date)

July 27, 1965
(Date)

"EXHIBIT A"

I. EQUIPMENT TO BE LEASED:

ITEM #1:

One (1) INDUCTO 3,000 lb. 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 furnace in smooth easy movements. The furnace will be complete with tilting stanchions, water-cooled leads and hydraulically operated insulating furnace cover.

ITEM #2:

Approximately 16' 1/4" fabricated bus -- two bus per leg. Bus to include bus clamps and lead adapters for connection to the existing power control unit.

ITEM #3:

Two (2) water-cooled furnace selector switches for the selection of either furnace for operation.

II. SCHEDULE OF PAYMENTS:

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

- A. The monthly rental shall be Two Hundred Forty-five Dollars and Twenty-four Cents (\$245.24) per month. The first month's rental will be paid by Lessee upon placement of order.
- B. Second month's rental shall be due the tenth (10th) day of the month following shipment of the equipment if it is shipped prior to the twentieth (20th) day of the month; if it is shipped after the twentieth (20th) day of the month, such second month's rental shall be paid the tenth (10th) day of the second calendar month following shipment; the third and each subsequent month's rental will be due the tenth (10th) day of the month following date of the second month's payment.

Alvin M. Sims, Jr., President
Simco Inc

Robert T. R. R.
INDUCTOTHERM CORP.

July 23 1965
(Date)

July 27 1965
(Date)

STATE OF ALA. SHELBY CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON 8-22-65
RECORDED & INDEXED TAX
& 21.50 TAX HAS BEEN
PD. ON THIS INSTRUMENT.

DRD:kcj

Conrad M. Scudder
VICE PRESIDENT