

**CARMAN INDUSTRIES, INC.
LEASE OF PERSONAL PROPERTY AGREEMENT
FOR FIELD TEST EQUIPMENT**

I. PROCEDURE

- A. Equipment will be reserved on a first come, first served basis, upon receipt of the following items:
 - 1. Purchase order indicating the deposit and weekly rate.
 - 2. Signed copy of this Agreement.
 - 3. "Material Safety Data Sheet".
 - 4. Deposit check. (Invoice payable upon receipt will be issued when Items 1, 2 & 3 are received.)
- B. Lease of personal property interval begins one week after equipment leaves Carman's premises and terminates the day equipment is received back at Carman. The bills of lading will identify shipping and receiving dates.
- C. You are responsible for freight charges. Equipment will be shipped F.O.B. Jeffersonville, Indiana, freight collect. Equipment is to be returned freight pre-paid.
- D. If new Carman equipment is purchased as a result of your testing, leasing fees will be applicable towards the purchase price of this equipment up to a maximum value of 5% of the sale price for the new equipment. This credit does not include factory service, damage, repair, or freight charges.

II. WEEKLY LEASE OF PERSONAL PROPERTY FEES AND EQUIPMENT VALUES

Equipment	Damage Deposit	First 8 Weeks	Second 8 Weeks	After 16 Weeks	New Eqpt Value
FBP-50 Dryer*	\$ 1,000	\$ 500	\$ 650	\$ 900	\$ 98,560
FBP-25 Cooler	750	250	350	450	44,970
Exhaust Cyclone/Fan	500	225	350	450	12,940
Steam/Cooling Coil	500	225	350	450	19,840
Chiller Package	500	330	450	550	21,840
IVC20SD12.5 Vibrating Conveyor	500	225	350	450	24,480
BF18HD6 Vibrating Feeder	500	225	350	450	13,810
4GBD Bin Discharger w/Tank	500	100	150	200	14,740
CD4 Densifier*	600	450	500	550	37,300
SE44TM5 Spiral Elevator	600	250	350	450	54,000
TT24HD5 Tumble Tube	600	250	350	450	47,400
CVC-72 Circular Cooling Conveyor	600	250	350	450	28,370

* Factory service to assist with initial setup and operation is required when leasing either Fluid Bed Dryer or Densifier. The actual cost will be billed per Section VII of this Lease of Personal Property Agreement.

III. DAMAGE DEPOSIT

Deposit will be applied to Lease of Personal Property charges if equipment is returned in ready-to-use condition. If it has not been cleaned or if damage has occurred beyond normal wear and tear (see Section IV), deposit will be applied toward equipment reconditioning. Material and labor repairs and/or cleanup will be documented and cost incurred will be billed to user with copies forwarded to representative(s).

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IV. EQUIPMENT CARE, CLEANLINESS AND DAMAGE

Equipment is to be returned in clean, ready-to-use condition. Any damage or cleanup required beyond normal wear and tear will be repaired and charged to the user's account at normal shop labor rate and material. If hazardous or environmentally unfriendly products are handled, it is the lessee's responsibility to dis-assemble and clean the equipment in compliance with "Material Safety Data Sheet" procedures appropriate for those products before returning equipment to Carman. In the event of total loss of equipment, user will be billed the equipment value per Section II.

V. FIELD MODIFICATIONS

There will be no field modifications unless authorized in writing by Carman.

VI. SPECIAL ACCESSORIES

Any special accessories required for testing will be billed to user at cost plus 20% handling and remains property of the user.

VII. FIELD ASSISTANCE

In the event that field assistance from the factory should be required, it is requested that the customer advise Carman Industries two weeks prior to the expected arrival date. A Process Engineer and/or Service Engineer can be made available at a charge of \$775.00 per day plus all travel and living expenses. A purchase order will be required prior to the departure of the Field Service Engineer.

VIII. TAXES

It is the responsibility of the user to record, file and pay any and all user, sales, property taxes and any other taxes that may be levied on the equipment by any state, local or other taxing authorities while the equipment is under the control of the user.

IX. GENERAL

The user agrees to use all reasonable care in the maintenance and use of the equipment leased and to use only qualified and properly trained operating personnel. User also agrees to indemnify and hold harmless Carman from all costs, expenses and liability arising from the use of the equipment.

COMPANY: _____

SIGNATURE: _____

NAME & TITLE: _____
(PLEASE TYPE OR PRINT)

DATE: _____

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