



Pumps Equipment Sulzer
Pumps Solutions, Inc. 140
Pond View Drive Meriden,
CT 06450
Phone (203) 238 2700
Fax (203) 238 0738
www.sulzer.com

September 12, 2018

Subject: Southern Sales Co. as Contracted Sulzer Distributor for ABS type products

To: Tiffany Rank, Senior Process Engineer, Lexington-Fayette County Government.

The purpose of this letter is to confirm that **Southern Sales Co.**, located in Nashville, Tennessee, is the contracted Sulzer sole Master Distributor for Sulzer wastewater (formerly ABS) products, including pumps, mixers, HST blowers and aerators, for the Municipal Wastewater Collection and Treatment market. Their territory includes the entire area of Lexington, KY, as well as their surrounding counties.

Nationally we utilize a network of independent distributors/service centers to serve Municipal, Industrial, Building Trades and Dewatering market segments in specific territories. The authorized distributor for Sulzer products in these segments/territories has the expertise, knowledge, training and access to the latest product developments and upgrades, along with genuine OEM parts. **Southern Sales Co.** is trained in the latest methods in care and start-up of our equipment and has the ability to execute warranty claims.

Please do not hesitate to contact me if I can provide any additional information.

Sincerely,

Tim Fry
Regional Sales Manager
tim.fry@sulzer.com
(860) 906-2417



2937 Kraft Drive
Nashville, TN 37204
Office: (615) 254-0066
Fax #: (615) 254-0791



Quotation

To: Jim Worten
Plant Supervisor, West Hickman WWTP

Date: July1,2018
Project: West Hickman HST Blower Replacement
Owner: LFUCG
Engineer: N/A
Quote No: 13833KG

Under the terms and conditions herein stated, we are pleased to quote the following equipment. The new Blower pricing is based on special discounts offered by Sulzer for a one time purchase.

New Replacement Blower model HST40, Zone 1:

Opt. 1:

One (1) HST40-300-1-L-5 blower of the same BOM as previously purchased and installed. This option is for a new blower and assumes turnover of the existing, failed machine to Sulzer.

The following is included:

- New Blower with same BOM as current unit
- Factory Standard testing
- New inlet silencer
- 5-year warranty
- Freight to site and start-up.

Note: Installation and electrical hook up is not included and is by others.

Total Selling Price\$155,600.00

Estimated Delivery: 18-20 weeks ARO (Quick Ship may be available, TBD)

Opt. 2:

One (1) HST40-300-1-L-5 blower of the same BOM as previously purchased and installed. This option is for a new blower and assumes that LFUCG keeps the existing failed machine.

The following is included:

- New Blower with same BOM as current unit
- Factory Standard testing
- New inlet silencer
- 5-year warranty
- Freight to site and start-up.

Note: Installation and electrical hook up is not included and is by others.

Total Selling Price\$174,374.00

Estimated Delivery: 18-20 weeks ARO (Quick Ship may be available, TBD)

Repair of existing Blower model HST40, Zone 1

Opt. 1 (Ocean Freight to and from factory)

One (1) Repair of the existing HST40-300-1-L-5 blower based on the field evaluation by Sulzer Service Tech.

The following is included:

- Factory repair of the machine to include at minimum a full core replacement.
 - Factory evaluation of other components and revision of quote as needed.
 - Factory reassembly and standard testing
 - New inlet silencer
 - Standard 1-year repair warranty
 - Standard Ocean Freight to factory and back to the site with proper crating as required
- Note: Re-Installation and electrical hook up is not included and is by others.

Estimated Minimum Repair Price Range.....\$70,000.00 - 75,000.00

Estimated delivery: 20-22 weeks ARO

Opt. 2 (Air-Freight to and from factory)

One (1) Repair of the existing HST40-300-1-L-5 blower based on the field evaluation by Sulzer Service Tech.

The following is included:

- Factory repair of the machine to include at minimum a full core replacement.
 - Factory evaluation of other components and revision of quote as needed.
 - Factory reassembly and standard testing
 - New inlet silencer
 - Standard 1-year repair warranty
 - Air - Freight to factory and back to the site with crating as required
- Note: Re-Installation and electrical hook up is not included and is by others.

Estimated Minimum Repair Price Range.....\$88,000.00 - 92,000.00

Estimated delivery: 12-18 weeks ARO

General Notes and Exceptions:

1. No sales tax included.
2. Installation by others.
3. **Start-up service is included**
4. All equipment ship FOB point of manufacture with freight allowed.
5. Payment terms are 100% net due 30 days from invoicing.
6. Any items of equipment or services not specifically outlined in the above are to be supplied by others.
7. Please direct all inquires regarding this proposal to Kenny Graham at the phone numbers shown below. If you are unable to reach Kenny, please call the Southern Sales Company Nashville Office.

We appreciate the opportunity to quote you on the above equipment.

SOUTHERN SALES COMPANY, INC.

Kenny Graham

(502) 551-4750 Mobile

(800) 843-5523 Nashville office - toll free

(615) 254-0791 Nashville office – fax

Cc: Tiffany Rank, LFUCG

Tim Fry, Sulzer

Tom Herndon, Southern Sales

SOUTHERN SALES COMPANY TERMS AND CONDITIONS

Date: 7-01-18

- 1. ACCEPTANCE.** This contingent proposal is submitted by Southern Sales Company, as Seller, to Buyer subject to the terms and conditions hereinbefore and hereinafter set forth, and is contingent on Seller's final approval of additional factors such as Buyer's credit. This proposal may only be accepted on the exact terms set forth herein, and no additional terms or modifications shall be accepted. This proposal shall become an agreement binding on Buyer and Seller when signed by Buyer and then later approved in writing by Seller, and shall become the entire and sole agreement of the parties pertaining to the subject matter of the agreement, mutually withdrawing, canceling, or otherwise waiving, terminating, and excluding any and all oral, written, express, or implied representations, guarantees, warranties, agreements, or understandings not set forth in full herein, or in the general provisions or specifications made a part of this agreement. All of Seller's obligations are subject to Buyer's continued credit acceptability by Seller through the time of shipment. Each individual signing this document warrants that he or she has proper authority to do so.
- 2. PRICES.** Prices quoted in this proposal are firm for a period of **3** months from the date hereof, provided (a) Seller has not revoked the price or proposal, (b) a Buyer's signature below constituting an acceptable order is received by Seller within **30** days from date of proposal, (c) anytime after **30** days of Seller's approval, Buyer agrees to accept delivery of any or all of the equipment on a "when-ready" basis, and (d) Buyer agrees to make payment for all equipment listed herein on terms and conditions set forth herein for all partial and/or complete shipments. Otherwise, prices may be revised to reflect Seller's selling prices in effect on the date of shipment. If shipment is, for any reason, deferred beyond **12** months from the date of Buyer's acceptance, the prices set forth herein are subject to change to conform to Seller's prices prevailing on the date of shipment but not to exceed an escalation of **2%** per month from the expiration of the aforesaid period to the date of shipment.
- 3. ITEMS INCLUDED.** This proposal includes only those items specified herein and does not include installation, field erection, accessory or related materials such as controls, piping, printed matter, etc., nor any other item not specifically listed herein.
- 4. SUPERVISION AND SERVICE.** If Buyer desires field service for checking the installation and/or instruction in operation of the equipment in excess of that set forth in this proposal, Buyer agrees to pay a **per diem rate of \$1,000.00** including travel time and **\$0.70 per mile travel expense** (from Seller's Nashville office).
- 5. DELIVERY.** Buyer shall pay delivery costs "**FOB POINT OF SHIPMENT.**" All claims for damage, delay and/or shortage arising from such shipment shall be made by Buyer directly solely against the Carrier. Buyer agrees that shipment schedules and/or delivery dates set forth in this proposal represent nothing more than Seller's best estimate of time required to ship after receipt of acceptable order and final approval data. No liability, direct or indirect, is assumed by Seller for failure to ship as scheduled. Buyer grants Seller the right to make partial shipments and Buyer agrees to pay promptly according to the terms of this agreement for all material or equipment shipped. Buyer shall notify Seller of any nonconformity within 15 days after receipt of the equipment or within 15 days after the nonconformity could have been reasonably discovered, whichever date is earlier.
- 6. CANCELLATION, SUSPENSION OR DELAY.** Orders resulting from this proposal may be canceled, suspended or delayed at any time prior to shipment - but only upon Buyer's prior payment to Seller of Seller's reasonable charges for cancellation, suspension or delay, which charges shall include expenses already incurred, costs incurred by Seller to cancel, suspend or delay, and Seller's anticipated profit.
- 7. BACKCHARGES.** Buyer agrees that Seller will not owe backcharges for labor, materials or other costs incurred by Buyer or others in adjustment, modification, service or repair of material or equipment furnished unless such backcharges previously have been authorized in writing by Seller.
- 8. TAXES.** All applicable taxes or other Government charges upon the production, sale, shipment, installation and/or use of equipment covered by this proposal shall be added to the total price specified in this proposal and shall be paid by Buyer.
- 9. TERMS OF PAYMENT.** Credit is subject to acceptance by Seller and subject to Buyer's continued credit acceptability by Seller through the time of shipment. Buyer agrees to pay on terms of "**NET 30 DAYS FROM DATE OF SHIPMENT**" of each item. Buyer also agrees to pay interest on past due accounts at the rate of one and one-half percent per month (both pre-judgment and post judgment), plus all costs of collection, including reasonable attorney fees.
- 10. WARRANTY.** In cases where Seller is the manufacturer of new equipment, such equipment is warranted by Seller to be free from defects in material and workmanship under normal use and service for a period of one year from date of shipment. In the event of such a defect in material or workmanship within one year of shipment, Seller may (at Seller's option) repair or replace any part(s) provided that such parts are, upon request, returned to the point specified by Seller, transportation prepaid by Buyer. This warranty does not cover parts damaged by decomposition from chemical action or damaged by wear caused by abrasive materials; nor does it cover damage resulting from misuse, accident, or neglect, or from improper operation, maintenance, installation, modification, or adjustment. Nor does this warranty cover parts repaired by entities other than Seller without written approval from Seller.

In cases where Seller is not the manufacturer or where the equipment is not new, Buyer agrees that Seller is not liable for any warranty whatsoever, and Buyer's sole recourse for defects in material or workmanship shall be under the terms of the manufacturer's written warranty, if any.

No warranties have been made by Seller in reference to this equipment unless expressly included in this written agreement.

THESE WARRANTIES ARE EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, AND SELLER SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR OF FITNESS FOR A PARTICULAR PURPOSE.

11. TITLE. Title to this equipment passes to buyer at the time of shipment, but pursuant to the Uniform Commercial Code, Buyer agrees (should Seller request it) to promptly execute security agreements and financing statements granting to Seller a security interest in the contract amount of this agreement in either (1) all of the equipment covered by this agreement, or (2) Buyer's entire inventory, equipment, accounts receivable and their proceeds, plus after-acquired additions and substitutions.

12. COMPLIANCE WITH LAWS. Buyer shall be solely responsible for securing any necessary permits under (and for compliance with) all safety, health and sanitation laws, ordinances and regulations in connection with the installation and operation of the equipment. Buyer agrees to provide Seller, upon request, evidence of the securing of any permits and of compliance with any such laws, ordinances and regulations, although Seller may rely exclusively on Buyer's representations, hereby made, that it shall secure such permits and comply with such laws, ordinances and regulations.

13. INDEMNIFICATION. It is understood that Seller has relied upon data furnished by and on behalf of Buyer with respect to the safety aspects of the installation and use of the equipment and that it is Buyer's responsibility to assure that the equipment will, when installed and put to use, be in compliance with safety requirements fixed by law and otherwise legally adequate to safeguard against injuries or damage to persons or property. Buyer hereby agrees to defend, indemnify and hold harmless Seller, its agents and employees, against any and all losses, costs, damages, claims, liabilities or expenses, including but not limited to, reasonable attorney's fees arising out of or resulting from any injury or damage to any person or property caused by inadequacy of safety features, devices or characteristics in the equipment or in the installation, use or operation of same, except claims for repair or replacement of defective parts as provided herein.

14. DISCLAIMER OF CONSEQUENTIAL DAMAGES, LIQUIDATED DAMAGES OR PENALTIES. BUYER AGREES THAT SELLER SHALL NOT BE LIABLE FOR CONSEQUENTIAL DAMAGES. CONSEQUENTIAL DAMAGES FOR THE PURPOSES OF THIS AGREEMENT SHALL INCLUDE BUT NOT BE LIMITED TO, LOSS OF USE, INCOME OR PROFIT, OR LOSS OF OR DAMAGE TO PROPERTY (INCLUDING, BUT WITHOUT LIMITATION, PRODUCTS MANUFACTURED, PROCESSED OR TRANSPORTED BY THE USE OF THE EQUIPMENT) OCCASIONED BY OR ARISING OUT OF THE OPERATION, USE, INSTALLATION, REPAIR OR REPLACEMENT OF THE EQUIPMENT. SELLER SHALL NOT BE LIABLE FOR ANY PENALTY OR LIQUIDATED DAMAGES BASED UPON OR RELATING TO FAILURE OR INABILITY TO SHIP WITHIN A SPECIFIED TIME.

15. COMPLETE AGREEMENT. The complete agreement between SOUTHERN SALES COMPANY and the Purchaser is contained herein and is not subject to modifications except in a writing signed by an authorized officer of each party.

PURCHASER'S NAME: _____

SIGNATURE OF AUTHORIZED REPRESENTATIVE _____ TITLE _____ DATE _____

PURCHASER'S TAXPAYER IDENTIFICATION NUMBER: _____

PURCHASER IS A: CORPORATION _____ PARTNERSHIP _____ PROPRIETORSHIP _____

ACCEPTED BY SOUTHERN SALES COMPANY _____ ON (DATE): _____

SIGNATURE OF SOUTHERN SALES COMPANY REPRESENTATIVE: _____