



GEA Mechanical Equipment US, Inc.

**GEA Westfalia Separator Division**

PO Box 178  
100 Fairway Court  
Northvale, NJ 07647

Phone (201) 767-3900  
Fax (201) 767-3901  
Sales.wsus@geagroup.com  
[www.wsus.com](http://www.wsus.com)

## Notice of Merger

January, 2011

Re: GEA Westfalia Separator, Inc. - GEA Mechanical Equipment US, Inc. Merger

Dear Sir or Madam:

We wanted to inform you that GEA Westfalia Separator, Inc. has been merged into GEA Mechanical Equipment US, Inc. as of the close of business on December 31, 2010. We will, of course, continue to honor all business and contractual obligations that we have with you as the Westfalia Separator Division of GEA Mechanical Equipment US, Inc. Pursuant to the merger, GEA Mechanical Equipment US, Inc. is a newly created GEA Group company which combines GEA Westfalia Separator, Inc., GEA Tuchenhausen North America, Inc. and GEA Niro Soavi. That new entity has taken over all of our rights and obligations as a successor-in-interest to all of our agreements with you.

Very truly yours,

Michael J. Vick

President

GEA Westfalia Separator Division

Please note that the new Federal Employer Identification Number for

GEA Mechanical Equipment US, Inc. is 27-4109506

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**Midwest Office**  
725 Tollgate Road  
Elgin, Illinois 60123  
Phone: (630) 503-4700  
Fax: (630) 503-4701

**South Office**  
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Lakeland, Florida 33805-7666  
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**Southwest Office**  
2408 Timberloch Place, C-4  
The Woodlands, Texas 77380  
Phone: (281) 465-7900  
Fax: (281) 465-7901

**West Office**  
555 Baldwin Road  
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GEA Mechanical Equipment US, Inc.

**GEA Westfalia Separator Division**

PO Box 178  
100 Fairway Court  
Northvale, NJ 07647

Joseph Lengson  
Original Manufacture Service  
Phone (201) 784-4325  
Fax (201) 784-6485  
[Joseph.Lengson@GeaGroup.com](mailto:Joseph.Lengson@GeaGroup.com)  
[www.wsus.com](http://www.wsus.com)

03/30/2011

*City of Peoria WWTP (Butler Facility)*  
*Mr. Robert Garcia*  
*Maintenance Manager*  
*Mesa, AZ 85211*

Subject: Dear Mr. Garcia

GEA Mechanical Equipment US, Inc. with Headquarters located in Northvale, New Jersey, USA is the sole distributor and factory authorized repair, service and parts provider for Westfalia Separator Centrifuges and subcomponents manufactured by our parent company GEA Westfalia Separator Group, GmbH, located in Oelde Germany.

This includes but does not limited parts and components like primary-, secondary-gears, bowl shells and conveyor scrolls.

If you require additional information please do not hesitate to contact the undersigned directly.

Sincerely,  
GEA Mechanical Equipment US, Inc.

Joseph Lengson  
Technical Sales Engineer

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## CAPITAL CARE MAINTENANCE AGREEMENT TERMS & CONDITIONS

1. GEA Mechanical Equipment US, Inc. ("Westfalia") will provide the service visits covered under this Capital Care Maintenance Agreement ("Maintenance Agreement"). The visits shall be performed by a trained Westfalia service technician pursuant to the details set forth in the Quotation.
2. Customer agrees that the services shall be performed between the hours of 7:00 AM and 6:00 PM Monday through Friday. Services outside of these hours shall be charged according to the Capital Care Service Rates, which is incorporated herein by reference. If night hours, weekends or holidays have to be scheduled for the preventive maintenance visits, a minimum of 4 weeks prior notice should be given by customer to Westfalia's regional service manager. All costs will be adjusted accordingly.
3. Customer will provide all necessary tools, including but not limited to proper lifting equipment, and a safe working environment for Westfalia's personnel during service visits. Customer will also provide help to assist the Westfalia service technician and the personnel needed to do the necessary clean-up of all bowl parts in a timely fashion.
4. Westfalia warrants that all services performed pursuant to this Maintenance Agreement will be done in a workman like manner in accordance with Westfalia's own stringent standards. All such standards, as well as recognized industry standards that are included in our ISO 9001 documentation for all such repairs are incorporated into this Maintenance Agreement by reference.
5. In no event shall Westfalia be liable for any loss or damage resulting from any delay in furnishing or failure to furnish service or repairs. If such delay or failure arises from any cause beyond Westfalia's reasonable control, including, but not limited to, acts of God, unanticipated natural phenomenon, fire, strikes, lock-outs, war, weather, or delays in transportation, or failure of suppliers to furnish purchased material or auxiliary equipment within scheduled dates Westfalia shall not be liable. In no event shall Westfalia be liable hereunder in contract or tort, or pursuant to any other theory of legal liability, for any special, consequential punitive, indirect or incidental loss or damage of any nature, including loss of profits, loss by reason of plant shut down, non-operating or increased expenses of operation of other equipment, or, whether suffered by customer or any third party, or for any loss or damage arising out of the sole or contributory negligence of the customer, its employees or agents or any third party. Notwithstanding this limitation on liability any action which may be brought against Westfalia subject to the terms of this Maintenance Agreement will be limited to 100% of the price set forth in the Quotation.



6. Customer understands and agrees that this Maintenance Agreement in no way alters or changes the terms of Westfalia's limited equipment warranty and limitation of liability set forth in Westfalia's terms and conditions provided to customer in connection with its purchase, lease or rental of the equipment which is subject of this Maintenance Agreement.
7. Customer understands and agrees that this Maintenance Agreement does not cover any maintenance, parts or service work not authorized by Westfalia.
8. Customer understands and agrees that this Maintenance Agreement does not relieve customer of its obligation to exercise good operating and maintenance practices as outlined in the Westfalia manuals supplied to customer with the equipment, including the replacement of parts in accordance with recommended schedules to prevent wear and tear on the equipment.

9. NOTWITHSTANDING ANY OTHER PROVISION OF THIS MAINTENANCE AGREEMENT TO THE CONTRARY:

(A) WESTFALIA'S AND ITS SUBCONTRACTORS' AND SUBSUPPLIERS' AGGREGATE RESPONSIBILITY AND LIABILITY, WHETHER ARISING OUT OF CONTRACT OR TORT OR ANY OTHER LEGAL CONTEXT OR THEORY, INCLUDING NEGLIGENCE AND STRICT LIABILITY, UNDER THE CONTRACT, INCLUDING, BUT NOT LIMITED TO, ALL CLAIMS FOR BREACH OF ANY WARRANTY OR GUARANTEE, FAILURE OF PERFORMANCE OR DELAY IN PERFORMANCE BY CUSTOMER OR PERFORMANCE OR NON-PERFORMANCE SHALL NOT EXCEED THIS MAINTENANCE AGREEMENT PRICE; PROVIDED, HOWEVER, THAT THIS LIMITATION WILL NOT APPLY TO ANY LIABILITY OF WESTFALIA FOR DIRECT DAMAGES CLAIMED BY CUSTOMER FOR PHYSICAL DAMAGE TO CUSTOMER'S PROPERTY (OTHER THAN EQUIPMENT PROVIDED BY WESTFALIA) OR FOR DIRECT DAMAGES CLAIMED BY THIRD PARTIES FOR SUCH THIRD PARTIES' BODILY INJURY OR PHYSICAL PROPERTY DAMAGE FOR WHICH WESTFALIA IS LIABLE TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF WESTFALIA, FOR ALL OF WHICH MATTERS WESTFALIA SHALL BE LIABLE UP TO AN AMOUNT OF \$5,000,000 IN THE AGGREGATE, AND

(B) IN NO EVENT SHALL WESTFALIA, ITS SUBCONTRACTORS OR SUBSUPPLIERS BE LIABLE IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL CONTEXT OR THEORY, INCLUDING NEGLIGENCE AND STRICT LIABILITY, FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR CHARACTER, OR FOR, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF PRODUCTIVE FACILITIES OR EQUIPMENT, COSTS OF PRODUCT RECALL, PLANT DOWNTIME, DAMAGE TO OR LOSS OF PRODUCT, CHEMICALS, CATALYSTS, FEEDSTOCK OR OTHER RAW MATERIALS,



LOSS OF REVENUES OR PROFITS OR LOSS UNDER PURCHASES OR CONTRACTS

MADE IN RELIANCE ON PERFORMANCE OR NON-PERFORMANCE, WHETHER SUFFERED BY CUSTOMER OR ANY THIRD PARTY, OR FOR ANY LOSS OR DAMAGE ARISING OUT OF THE SOLE OR CONTRIBUTORY NEGLIGENCE OF THE CUSTOMER, ITS EMPLOYEES OR AGENTS OR ANY THIRD PARTY.

10. GOVERNING LAW, JURISDICTION AND WAIVER OF JURY. THIS MAINTENANCE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW JERSEY (WITHOUT GIVING EFFECT TO ITS PRINCIPLES OF CONFLICTS OF LAWS). TO EXPEDITE RESOLUTION OF ANY ACTION, SUIT, OR PROCEEDING EACH PARTY IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY. THE PARTIES ALSO IRREVOCABLY (A) SUBMIT TO THE JURISDICTION OF THE FEDERAL AND STATE COURTS OF THE STATE OF NEW JERSEY, (B) AGREE TO FILE AND BRING SUCH ACTION, SUIT, OR PROCEEDING EXCLUSIVELY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY LOCATED IN NEWARK, NEW JERSEY OR IN THE STATE COURTS OF NEW JERSEY LOCATED IN THE COUNTY OF BERGEN (C) WAIVE ANY OBJECTION WHICH IT OR THEY MAY HAVE TO THE LAYING OF VENUE OF ANY ACTION, SUIT, OR PROCEEDING IN ANY SUCH COURT, (D) WAIVE ANY CLAIM THAT ANY SUCH ACTION, SUIT, OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, AND (E) WAIVE THE RIGHT TO OBJECT THAT SUCH COURT DOES NOT HAVE JURISDICTION OVER THE PARTIES.

11. The parties shall resolve all controversies, claims or disputes, arising out of or relating to the terms and provisions of this Maintenance Agreement, or the breach, termination, enforcement, interpretation or validity thereof, including the determination if the scope or applicability of this clause, as follows:

(i) Either party shall notify the other party in writing of the nature of the claim or dispute (the "Dispute Notice"). Within fourteen (14) days after delivery of a Dispute Notice, a managing executive ( a President or Executive Vice-President level) of each party shall meet in person or by telephone in an attempt to resolve the dispute ("Resolution Meeting"). They shall consult and negotiate in good faith attempting to reach a resolution. All such negotiations (including the mediation and arbitration) shall be confidential and shall be treated as compromise and settlement negotiations for purposes of the rules of evidence. (ii) If the managing executives have not resolved the matter, or agreed upon a written plan of corrective action, within forty-five (45) days of delivery of a Dispute Notice, or if they fail to meet within thirty (30) days after delivery of a Dispute Notice, either party may initiate mediation and, if applicable, arbitration in accordance with the procedures set forth in (iii) and (iv) below. The



Resolution Meeting in (i) is voluntary; however it is a condition precedent to any subsequent demand for mediation or for filing for arbitration.

(iii) If such executives are unable to resolve the dispute or have failed to meet, the parties shall participate in a non-binding mediation procedure as follows: a mediator will be selected by having counsel for each party agree on a single person to act as mediator. The mediator will keep all information confidential. The time and place of the mediation is to be determined by the mediator, but not more than ninety (90) days after the delivery of the Dispute Notice. Mediation costs will be shared equally by the parties. The mediation process is voluntary; however, it is a condition precedent to any subsequent filing of a demand for arbitration that the party demanding arbitration shall have participated in mediation.

(iv) Non-binding Arbitration

a. Generally. If the dispute is not resolved after attempts at mediation as set forth above, or if the party against who relief is sought refuses to take part in mediation, the parties hereby agree to submit all disputes to non-binding arbitration in New Jersey according to the rules and practices of the International Institute for Conflict Prevention and Resolution ("CPR") Rules for Non-Administered Arbitration. Arbitration shall be by three independent and impartial arbitrators who shall keep all submitted information confidential. Each of the parties shall appoint one arbitrator within fifteen (15) days after initiation of arbitration and the two arbitrators so appointed shall select a third arbitrator within ten (10) days of their appointment, which third arbitrator shall be the panel chair. If the arbitrators are not timely selected the CPR shall select such arbitrators.

b. Prehearing Procedures/Conduct of Hearing. The arbitration shall be expedited. The hearing shall take place no later than ninety (90) days of the original demand.

c. Arbitration Award. The arbitration award shall be written and shall specify the factual and legal basis. The award shall be non-binding.

d. Injunctive Relief. Notwithstanding the foregoing, either party may apply at any time to a court for injunctive relief.

This Maintenance Agreement will automatically renew for an additional twelve (12) month period on its expiration date and each expiration date thereafter, unless terminated by either party by providing a written notice of termination at least sixty (60) days prior to expiration of the then current term.



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**GEA Westfalia Separator Division**

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## Capital Care Service Rates

Effective July 1, 2011

	Regular Service
Monday – Friday	\$87.00 / hr.
Monday – Friday Overtime	\$119.00 / hr.
Saturday	\$119.00 / hr.
Sunday & Holiday	\$152.00 / hr.

<b>Engineering, Test and Training Fees</b>	<b>\$1,050.00 per / day</b>
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<b>Travel Expenses</b>	Plane fare, car rental, meals, lodging, etc. are charged at actual cost. Use of the company service fleet, leased or private vehicles is charged at <b>55.5 cents/mile</b> . Travel time will be charged at <b>\$54.00</b> per hour on weekdays and <b>\$78.00</b> per hour on Saturday, Sunday and Holidays.
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GEA Mechanical Equipment US, Inc.

City of Peoria WWTP  
Attn.: Mr. Raymond Trahan  
Mr. Robert Garcia  
Butler Drive WRF  
Peoria, AZ.  
85282

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10/11/2011

**Quotation # 11-032 rev. 1**

Subject: Capital Care Contract Proposal for three (3) Decanters  
Model UCD 755-00-34 SN 8004-252, 8004-253 and 8004-839

Mr. Garcia,

GEA Mechanical Equipment US, Inc. would like to offer, for your consideration, our three (3) year Capital Care Maintenance Agreement for three (3) UCD 755-00-34 decanter installed at your Waste Water Treatment Facility in the City of Peoria, AZ.

**Process: Dewatering of Municipal Sludge**

**Benefits of OEM Services:**

1. Reduced labor – 25 % Discount from our prevailing Service Rates (“Labor Rates”)
2. Minimum downtime
3. Increased plant availability and productivity
4. Increased RELIABILITY
5. Minor and Major Service includes visual machine inspection of rotating components by specially trained service technicians
6. Planned Scheduled visits – high priority

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7. Our service technicians are a great tool for training your key people for proper maintenance and repair procedures
8. 24/7 OEM Support and parts delivery
9. All part and components being used for the overhaul are **GENUINE Westfalia Separator** parts

**This Service Plan will consist of:**

**Five (5) Minor Service visits (Minor I and Minor II)** to be performed alternately every six (6) months by two (2) Westfalia Separator supplied factory trained Service Technicians using only genuine **Westfalia Separator component parts**. Each Minor I Service will take one (1) ten hour day to complete all three Decanters and each Minor II Service will take one (1) 10 hour day to complete one Decanter.

**One (1) Major Service** to be performed at the end of this Service Plan by two (2) Westfalia Separator supplied factory trained Service Technicians using genuine **Westfalia Separator component parts**. Each Major Service will take four (4) ten hour day to complete.

**Minor I** will consist of:

- Inspection of unit in operation on product
- Check functions of all alarms and interlocks
- Shut down unit
- Inspect and check tension of all drive belts
- Inspection of wear bushings in the solids discharge ports
- Replace oil filter and lubricating oil as required
- Greasing of all motors as required
- Greasing of Scroll bearings
- Assemble unit and test run on water and product
- Perform vibration analysis using CSI 2120 or Schenck Vibration Analyzers if indicated by results using the hand held Viber-A Vibration Meter.
- Provide written report detailing the overall condition of unit, noting any deficiencies with recommended course of action



**Minor II** will include the same list of procedures as in **Minor I** with the addition of removal and inspection of the conveyor scroll for wear, replacement of gaskets for scroll, liquid end and feed tube.

**Major Service** will consist of:

- Complete disassembling of entire unit
- Inspection of Primary and Secondary gears
- Cleaning of all bowl parts
- Replacement of all o-rings
- Replacement of all seals and L-rings
- Replacement of all main drive bearings (excluding motors)
- Replacement of scroll bearings and seals
- Replacement of both v-belts
- Inspection of all bowl parts, hubs, and conveyor scroll for wear
- Assemble unit
- Greasing of all motors
- Test run unit on water and product
- Perform vibration analysis using CSI 2120 or Schenck Vibration Analyzers if indicated by results using the hand held Viber-A Vibration Meter.
- Provide written report detailing the overall condition, noting any deficiencies with recommended course of action

Both minor and major service will be scheduled during regular working hours and during a normal 5-day work week, Monday to Friday.

**All parts used during this plan will be supplied by the customer from their spare parts inventory.**

If required, additional parts will be installed during our scheduled visit at no additional labor cost.

**Customer Responsibility:**

The maintenance contract does not discharge the Customer from his obligations to operate the machine in accordance with the operating and maintenance manuals and to observe the accident prevention regulations.



**Recommended Service Schedule:**

Maintenance Type	Minor I + Minor II	Minor I + Minor II	Minor I + 1 Major
Schedule	2011	2012	2013
Contract Duration	April 2011 to February 2013		

**The following machines are included in this Maintenance Agreement  
Processing Location: Butler, Peoria, AZ.**

Machine Model	Type	Serial Number
UCD 755-00-34	Decanter	8004-252
UCD 755-00-34	Decanter	8004-253
UCD 755-00-34	Decanter	8004-839

**Pricing:**

The annual cost of this **three (3) Year Service Plan** for the above listed machines located at the processing facility in Peoria, AZ. is: **\$ 13,128.00** Pricing includes all travel and labor for two (2) Service Technicians.

We incorporated for City of Peoria as a preferred customer, our service contract rates which are 25% discounted compare to our regular service rates. Pricing for Labor which is part of the Minor or Major Service will be maintained for the contract duration.

As stated above, GEA Mechanical Equipment US, Inc. will offer the same 25% discount on all labor and travel hours for any service visits required outside of this Service Plan, but within the duration of it. Any freight cost or expenses will be invoiced at actual cost.

**Contract Start Date and period of validity:**

**Start Date:** November 2011

**End Date:** October 2013

**Payment:**

30 days net. after each rendered service



**Warranty:**

All Services will bear a warranty against faulty workmanship and parts for 90 - days starting after the completion of Service.

The Services shall be scheduled by Customer as outlined in the operations manual. Westfalia Separator Inc. needs to be notified approx. 3-4 weeks before the scheduled service can be carried out.

**Field Service Contact:**

Mr. Fritz Fortuna  
National Service Manager  
Ph: 201 784 4355  
Fax: 201 784 6485  
E-Mail: [Fritz.Fortuna@geagroup.com](mailto:Fritz.Fortuna@geagroup.com)

All prices are valid for 30 days from date of this Quotation set forth below.

This Quotation is subject to the Capital Care Maintenance Agreement Terms and Conditions which are attached hereto and incorporated herein.

If you require additional information or have any questions, please do not hesitate to contact us.

GEA Mechanical Equipment US, Inc.

A handwritten signature in black ink that reads "J. Lengson".

Joseph Lengson  
Technical Sales Engineer

Attachments: Capital Care Service Rates  
72-0003-224 Maintenance Agreement-Terms



GEA Mechanical Equipment US, Inc. Service Plan accepted and agreed to by:

\_\_\_\_\_  
GEA Mechanical Equipment US, Inc.

*Linda Bezy-Botma*  
\_\_\_\_\_  
City of Peoria WWTP

\_\_\_\_\_  
Name (please print)

*LINDA BEZY-BOTMA*  
\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

*10/13/11*  
\_\_\_\_\_  
Date

CITY OF PEORIA, ARIZONA  
A Municipal Corporation

*Dan Zenko*

\_\_\_\_\_  
Dan Zenko, Materials Management Supervisor  
City of Peoria

Approved as to form:

*Stephen M. Kemp*

\_\_\_\_\_  
Stephen M. Kemp, City Attorney  
City of Peoria

Attested by:



*Wanda Nelson*

\_\_\_\_\_  
Wanda Nelson, City Clerk  
City of Peoria

*10/27/11*

\_\_\_\_\_  
Date