



Service Policy & Rates

July 1, 2007

Service Rates – Terms & Conditions

Field Service is available for system start-up, normal maintenance service and customer training from our service base, Spartanburg, S.C.

Since OEC Fluid Handling does not maintain installation or erection crews, proper installation of all equipment is the responsibility of the purchaser in accordance with approved drawings and instruction manuals.

Service lead-time for start-up or maintenance is one-week minimum after notifications of OEC Fluid Handling's Service Department.

Purchase Orders

Service requests shall only be scheduled after receipt of a purchase order from the buyer. A verbal purchase order will be honored for initial scheduling, however a written copy of the purchase order must be received by OEC Fluid Handling to complete order entry. Start-up service authorization not included in the original equipment purchase order will be scheduled upon receipt of a purchase order authorizing this service. Service charges will be billed in accordance with the service rates, terms and conditions in effect at the time the service purchase order is received.

Types of Service

Labor Rate Types

1. Shop Labor Rate
2. Evaluation Labor Rate
3. Field Labor Rate
4. Mileage Rate
5. Contract Labor Rate
6. Expense Rate
7. Factory Labor Rate
8. Travel Time Labor Rate

Shop Labor Rate

Shop Rate shall be any labor performed by OEC Fluid Handling personnel at OEC Fluid Handling's repair facility in Spartanburg, SC. Shop Rate shall be \$68.00 per hour plus in and outbound freight and any related costs such as special machining, parts, etc. Minimum one-hour charge.

Evaluation Labor Rate

Labor time spent in OEC Fluid Handling's repair facility in Spartanburg, SC to tear down and evaluate a customer's pump or meter for repair estimate. Minimum one-hour charge.



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Field Labor Rate

Field Rate shall be any labor performed by OEC Fluid Handling Personnel at the customer's plant or location. Field Rate shall be \$68.00 per hour plus travel cost and related expenses. Travel time will also be invoiced at this rate. All travel time will be F.O.B. Spartanburg, SC.

Mileage Rate

Mileage Rate shall be computed at \$0.89 per mile from OEC Fluid Handling's Spartanburg, SC location. Mileage Rate will only apply with the use of any OEC Fluid Handling company or rented service vehicle.

Contract Labor Rate

Contract Rate shall be any labor provided by OEC Fluid Handling personnel for the routine service or calibration of customer equipment. The equipment must be equipment represented and marketed by OEC Fluid Handling, Inc. The rate shall be \$68.00 per hour plus related expenses for travel and living. To be eligible for this service, the user must issue a purchase order authorizing two or more service calls per year specifying the months in which the service is to be performed. Any additional calls to the customer's plant or location during the term of the periodic service purchase order will be billed at the same rate.

Contract Labor Rate shall also include labor by any OEC Fluid Handling personnel at customer's plant or location for the purpose of starting equipment sold by OEC on line. This rate shall be \$525.00 per day plus travel and living expenses. Travel time will also be invoiced at this rate.

Expense Rate

- 1. Travel Expenses-**Service rates, including the cost of transportation to and from the job site, whether it is by automobile, bus, train, or airplane. This will include any tolls for highways, bridges, tunnels, etc.
- 2. Living Expenses-**Service rates include expenditures for baggage handling, meals, tips, laundry, rooms, and all wires and telephone calls necessary to accomplish the service job.
- 3. Travel Time-**Travel time is the time expended traveling to the job site and returning to the service base utilizing any of the means of transportation listed under travel expenses. Travel time will be billed according to the service billing schedule above.
- 4. Layover Charges-**Billing will apply to any day in which a serviceman is required to remain in the job site area and not be able to be on-site to work due to the customer's plant production, work schedules, or other sub-supplier or sub-contractor delays. If the layover is over a weekend, holiday, the appropriate minimum billing will apply.

Factory Labor Rate

Factory Rate is the rate charged by an OEC Fluid Handling vendor to provide service or start-up assistance for equipment sold by OEC. These rates vary by vendor. OEC Fluid Handling will not provide any factory personnel for service or start-up assistance unless a purchase order is issued to



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OEC Fluid Handling or the start-up cost is included in the original purchase order. If OEC provides both OEC Fluid Handling personnel and factory start-up personnel, rates for both personnel will be invoiced.

Travel Time Labor Rate

All Labor time starts at OEC Fluid Handling, Spartanburg, SC.

Warranty

Service warranty of work performed by OEC Fluid Handling personnel is for a period of **90 days** after initial service is rendered to the customer. Service request will be treated according to the service-billing schedule, except that any on-site warranty service time will not be billed to the customer.

Service warranty of work performed by OEC Fluid Handling vendor is that of the specific manufacturer of the equipment. Customer should request a copy of the service warranty before any work is performed. Any changes for warranty service by the manufacturer are the responsibility of the buyer.

Terms of Payment

Net 30 days on approval credit. An invoice copy of the services performed will be sent to the customer. Additional reports will be furnished upon request. Any and all moneys owing are payable to OEC Fluid Handling, P O Box 2807, Spartanburg, SC 29304.

Liability & Insurance

We herewith confirm that all OEC Fluid Handling employees are covered by workman's compensation. We also confirm that we have in force through Nautilus Insurance Company with limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. Our property/casualty/auto coverage is through Ohio Casualty Group, this provides all-inclusive protection, including non-owned automobiles. The coverage is for the U. S. only. A copy of this insurance certification can be supplied upon request.

Employees of OEC Fluid Handling's vendors are not covered by this insurance policy. Customer should request any specific manufacturer's insurance certification as required.

Signed: _____ Customer _____

Signed: _____ **OEC Fluid Handling Inc.** _____

Date: _____