

INTER-ASSOCIATES INC. 1600 Wilson Boulevard Suite 1008 Arlington, Virginia 22209 703-841-1556

MANAGEMENT AGREEMENT

Inter-Associates, Inc. (IAI) will manage the affairs of the Association of Asbestos Cement Pipe Producers (AACPP) during the calendar year 1985 in accordance with the Budget annexed hereto as Exhibit A, which has been approved by the Board of Directors of AACPP. All management services will be performed in accordance with the policies of AACPP and under the direction of the Officers and Board of Directors of AACPP.

In return for the management services described in Exhibit B, IAI shall receive an Executive Management Fee of \$120,000, which shall be payable by January 15, 1985. In the event IAI should be unable or unwilling at any time to perform its responsibilities under this Agreement, it shall return to AACPP \$10,000 for each full calendar month remaining during the term of the Agreement. In the event AACPP is dissolved or terminates operations prior to January 1, 1985, IAI shall be entitled to \$30,000. Subsequent to December 31, 1984, either party may terminate this agreement as of the end of any month on one hundred eighty (180) days written notice to the other party. In the event the agreement is so terminated, IAI will return to AACPP \$10,000 for each calendar month (subsequent to the date of termination) remaining during the term of this agreement.

In addition to the Executive Management Fee, IAI shall be entitled to Program Management Fees in amounts not to exceed the amounts set forth in Exhibit C, which amounts are based on the program funding levels set forth in Exhibit A. Program Management Fees shall be determined on a time basis, i.e., actual time expended on the program multiplied by IAI's hourly rate for 1985 of \$75.00, and shall be billed by IAI as earned. In the event this agreement is terminated pursuant to the foregoing paragraph hereof, prior to December 31, 1985, IAI shall be entitled to all Program Management Fees earned prior to receipt of notice of intent to terminate operations.

IAI will conduct any programs not included in Exhibit A that may be requested by AACPP on terms agreed upon by the parties.

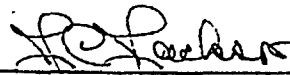
IAI also shall be entitled to thirty percent (30%) of 1985 dues received from Associate and Affiliate Members of AACPP in excess of the total amount budgeted in Exhibit A for such dues.

AACPP also will reimburse IAI for out-of-pocket expenses incurred by IAI on AACPP's behalf in amounts not to exceed the amounts budgeted for such expenditures in Exhibit A or otherwise authorized by AACPP. Typical out-of-pocket expenses for which AACPP will reimburse IAI are listed on Exhibit D. IAI will bill AACPP periodically for these out-of-pocket expenses.

All information pertaining to AACPP obtained by IAI in the course of its employment by AACPP will be treated in a confidential manner by IAI and will not be disclosed by IAI without permission of AACPP.



Lloyd Ambler, Chairman of the Board
Association of Asbestos Cement
Pipe Producers



Joseph C. Jackson, President
Inter-Associates, Inc.

Date: 9/20/84

EXHIBIT A

AACPP ANNUAL BUDGET - 1985

FUND BALANCE-January 1, 1985

Designated (1)	\$37,500
Undesignated	<u>5,411</u>
Total Fund Balance	<u>\$ 42,911</u>

REVENUES:

Membership Dues	
Regular - Domestic	\$180,000
Regular - North America (2)	<u>7,000</u>
Associate & Affiliate	<u>50,000</u>
Subtotal	<u>\$237,000</u>

Miscellaneous Income	
Meeting Fees	\$ 10,000
REP Programs	<u>0</u>
Special Assessment	<u>0</u>
Other Income (3)	<u>0</u>
Subtotal	<u>\$ 10,000</u>
Interest Income	<u>7,000</u>
Total Revenues	<u>\$254,000</u>

EXPENDITURES:

Executive Management Fee	\$120,000
Office Operating	<u>9,000</u>
General Operating	<u>34,000</u>
Research, Education & Promotion	<u>120,000</u>
Professional Services	<u>11,000</u>
Total Expenditures	<u>\$294,000</u>

FUND BALANCE-December 31, 1985

Designated (4)	\$ 2,911
Undesignated	<u>0</u>
Total Fund Balance	<u>\$ 2,911</u>

EXPENDITURES	BUDGET FY 1985
Executive Management	
IAI Retainer	\$120,000
Subtotal	<u>\$120,000</u>
Office Operating	
Office Supplies	\$ 500
Printing & Duplication	3,700
Postage, Freight, Messenger	3,000
Telephone & Telegraph	1,700
Data Processing	50
Miscellaneous	50
Subtotal	<u>\$ 9,000</u>
General Operating	
Travel & Entertainment	\$ 5,000
Membership Dues	800
Annual Meeting	24,000
Subscriptions/Publications	2,300
Insurance & Taxes	1,900
Miscellaneous	0
Subtotal	<u>\$ 34,000</u>
Research, Education & Promotion	
SOP-01-01, Municipal Market Program	\$ 50,000
SOP-01-02, State Monitoring Program	10,000
SOP-01-03, EPA Drinking Water Regulations	20,000
SOP-01-04, Public Education Program	10,000
SOP-01-06, OSHA Construction Standard	25,000
SOP-01-99, International Affairs	5,000
Subtotal	<u>\$120,000</u>
Professional Services	
Legal	\$ 9,000
Accounting	2,000
Subtotal	<u>\$ 11,000</u>
Total Expenditures	\$294,000

Notes:

- (1) Projected fund balance carryover to FY 85 designated for REP Programs.
- (2) Projects loss of ATI in FY 85.
- (3) Projected income for FY 84 reflects \$50,000 contribution from SAAPAC.
- (4) Projected fund balance for FY 85.

EXHIBIT B

MANAGEMENT SERVICES INCLUDED IN IAI EXECUTIVE MANAGEMENT FEE

1. Accounting Services, consisting of dues collection, accounts payable, accounts receivable, quarterly financial statements and annual audit, if authorized. All out-of-pocket accounting expenses to be billed to AACPP.
2. Committee Meetings Management, consisting of meeting preparation, participation and minutes.
3. Field Problems Management, consisting of development of action plans and member company coordination in accordance with MIS-01-3.05, Protocol for Responding to Field Problems and Criteria for Legal Intervention.
4. General Administration, consisting of general activities and communications related to matters of interest to the industry.
5. General Liaison with Allied Interest Groups.
6. Government and Legislative Affairs, consisting of monitoring of and general liaison with federal and state legislative and regulatory bodies.
7. Literature Review, consisting of review, evaluation and circulation of relevant technical and medical literature.
8. Management Information Systems, consisting of Strategic Operational Plan (SOP) and Regulatory Affairs/Field Problems Report.
9. Member Company Presentations, consisting of Staff participation at company meetings, e.g. sales meeting, upon request of Board member.
10. Membership Promotion and Retention, consisting of new member solicitation and delinquent member follow-up.
11. Standards Activities, consisting of Staff participation in ASTM and AWWA Standards committee activities.
12. Statistical Programs, consisting of monthly report of domestic shipments of pressure pipe, annual domestic production and capacity report, annual statistical summary and IAC annual domestic consumption report, if continued.

EXHIBIT C

**IAI PROGRAM MANAGEMENT SERVICES TO BE PROVIDED ON FEE EARNED
BASIS IN 1985 (1)**

	IAI Fee
1. Annual Meeting	\$4,000
2. SOP-01-01, Municipal Market Program	\$21,000
3. SOP-01-02, State Monitoring Program	\$2,000
4. SOP-01-03, EPA Drinking Water Regs.	\$5,000
5. SOP-01-04, Public Education Program	\$4,000
6. SOP-01-06, OSHA/EPA Rulemaking (2)	
7. SOP-01-99, International Affairs	\$3,000

Notes:

- (1) Refer to Exhibit A.
- (2) Contingent on EPA rulemaking initiated in FY 84.

EXHIBIT D

TYPICAL OUT-OF-POCKET EXPENSES TO BE PASSED THROUGH TO AACPP

1. Purchased copy services and printing, including stationery
2. In-house copy services over 500 copies per month @ 9¢ per copy
3. Art work
4. Postage, freight & messenger service
5. Bulk mailing services over 100 pieces per mailing
6. Long distance telephone calls
7. Meeting costs - meals, space, set-up, convention badges, insurance, etc.
8. Speaker fees, when requested and authorized in advance
9. Legal fees and disbursements
10. Travel & Entertainment - transportation, lodging, meals of staff
11. Insurance, Officers & Directors (O&D) liability etc., when requested
12. Accounting services, refer to Exhibit B
13. SOP Program expenses
14. Dues and subscriptions
15. Supplies unique to client e.g. unusual size envelopes, special folders, etc.
16. Business taxes unique to client