

## REQUEST FOR ACTION

<b>To</b>	The Collection Board of Directors				
<b>Subject</b>	The Collection Tower Elevator Maintenance Contract				
<b>Preparer</b>	Al Guzman, GM				
<b>Date</b>	Sept 24, 2018	<b>For Board</b>	x	<b>Action</b>	<b>Info</b>

### EXECUTIVE SUMMARY

Prior to opening, Hawaiian Dredging, as part of their cost, executed the Tower Elevator maintenance contract with ThyssenKrupp (TKE). TKE provided maintenance work and emergency response service from November 2016 and their contract will expire in October 2018, upon which, a new maintenance contract must be executed between The Collection and the same or different vendor.

TKE, Schindler and Otis were asked to submit proposals. See attached Exhibits.

line	Contractor	Monthly	Annual	Term
1	Schindler Elevator	\$3,141	\$37,692	60 months
2	Otis Elevator Company	\$2,722	\$32,664	60 months
3	ThyssenKrupp	\$3,089	\$37,068	60 months
4				
5	<b>Note:</b> Elevator #3 was inoperative for 3 months from			
6	Dec 2017 through Feb 2018. ThyssenKrupp will discount			
7	3 months off of Elevator #3, which will total \$2,317 in savings.			

Since TKE constructed and installed the existing elevators, they are familiar with the system and lay out. The components and parts of the tower elevators were also manufactured by TKE which adds additional familiarity and efficiency to resolve issues. For these reasons I am recommending TKE to be the Tower Elevator Contractor. Although Otis Elevator Company is less expensive, the familiarity TKE has of our equipment is invaluable. \$37,068 is budgeted for 2019.

### RECOMMENDATION

That the Board of Directors select TKE as the Tower Elevator Contractor pending contract review by the association's attorney.

### RATIONALE

TKE constructed and installed the existing elevators, their knowledge of critical components, access to the original construction plans and notes gives them a great advantage over other contractors. In addition, the components and parts of the tower elevators were also manufactured by TKE which adds additional familiarity and efficiency to resolve issues.

<b>Exhibits</b>	<b>Index</b>	<b>Title</b>
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(If applicable)	A	TKE Proposal
	B	Schindler Proposal
	C	Otis Proposal

**FOR BOARD USE ONLY**

**CERTIFICATE OF BOARD ACTION**

<input checked="" type="checkbox"/>	Approved	<input type="checkbox"/>	Declined	<input type="checkbox"/>	Noted	<input type="checkbox"/>	Returned	<input type="checkbox"/>	Deferred	<input type="checkbox"/>	Withdrawn
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**Stipulations**

**Coordinating Instructions**

**Distribution Instructions**

<b>Recording Secretary</b>	Joe Krahulik	<b>Action Date</b>	9/24/18	<b>RFA No.</b>	35-2018
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# Platinum Premier Service Agreement

**Purchaser:** The Collection LLC  
600 Ala Moana Blvd  
Honolulu, HI 96813-4926

Hereinafter referred to as "Purchaser", "you", and "your".

**By:** ThyssenKrupp Elevator Corporation  
2880 Ualena St.  
Honolulu, HI 96819  
Phone: 808-834-6300  
Fax: 866-251-5478  
www.thyssenkruppelevator.com

Hereinafter referred to as "ThyssenKrupp Elevator Corporation", "ThyssenKrupp Elevator", "we", "us" and "our".

## PLATINUM PREMIER SERVICE AGREEMENT

ThyssenKrupp Elevator agrees to maintain Purchaser's elevator equipment described below in accordance with this agreement. We will endeavor to provide a comprehensive maintenance program designed to protect your investment and maximize the performance, safety, and life span of the elevator equipment to be maintained.

### Equipment To Be Maintained

Building Name	Building Location	Manufacturer	Type Of Unit	Unit ID	# Of Stops
The Collection	610 Ala Moana Blvd.	TKE	Gearless	CCT775 ELEV 2	43
The Collection	610 Ala Moana Blvd.	TKE	Gearless	CCT776 ELEV 3	43
The Collection	610 Ala Moana Blvd.	TKE	Gearless	CCT777 ELEV 4	43
The Collection	610 Ala Moana Blvd.	TKE	Gearless	CCT774 ELEV 1	43

**ThyssenKrupp Elevator Americas**



# Platinum Premier Service Agreement

## **Preventative Maintenance Program**

We will service your equipment described in this agreement on a regularly scheduled basis. These service visits will be performed during normal business working days and hours, which are defined as Monday through Friday, 7:30 AM to 4:00 PM (except scheduled holidays). All work performed before or after normal business working days and hours shall be considered "Overtime".

ThyssenKrupp Elevator will perform the following services:

- Examine your elevator equipment for optimum operation. Our examination, lubrication and adjustment will cover the following components of your elevator system:
  - o Control and landing positioning systems
  - o Signal fixtures
  - o Machines, drives, motors, governors, sheaves, and wire ropes
  - o Power units, pumps, valves, and jacks
  - o Car and hoistway door operating devices and door protection equipment
  - o Loadweighers, car frames and platforms, and counterweights
  - o Safety mechanisms
- Lubricate equipment for smooth and efficient performance
- Adjust elevator parts and components to maximize performance and safe operation

## **Full Coverage Parts Repair and Replacement**

ThyssenKrupp Elevator will provide full coverage parts repair and/or replacement for all components worn due to normal wear, unless specifically excluded in the "Items Not Covered" or "Other Conditions" provisions herein. We maintain a comprehensive parts inventory to support our field operations. All replacement parts used in your equipment will be new or refurbished to meet the quality standards of ThyssenKrupp Elevator. Most specialized parts are available within 24 hours, seven days a week. We will relamp all signals as required (during regularly scheduled visits).

## **Maintenance Control Program**

ThyssenKrupp Elevator performs service in accordance with A17.1 – 2010 / CSA B44-10. Section 8.6 of the code requires the unit owner to have a Maintenance Control Program (MCP), ThyssenKrupp's MCP meets or exceeds all requirements outlined in Section 8.6. The Maintenance Control Program includes ThyssenKrupp Elevator's Maintenance Tasks & Records documentation which shall be used to record all maintenance, repairs, replacements and tests performed on the equipment and is provided with each unit as required by code. ThyssenKrupp Elevator also provides per Section 8.6 of the code, a maintenance tasks procedures manual with each unit; TKE calls this manual the BEEP Manual, or Basic Elevator, Escalator Procedures Manual. We do not perform any tests unless such tests are specifically listed as included elsewhere in this agreement.

## **Quality Assurance**

To help increase elevator performance and decrease downtime, our technicians utilize the latest industry methods and technology available to us for your specific brand of elevator. They will be equipped with our tools, documentation and knowledge to troubleshoot your unique system, as well as access to a comprehensive parts replacement inventory system.

Behind our technicians is a team devoted to elevator excellence. Technicians are supported around the clock by a team of engineers and field support experts. Our North American technical support facilities continuously research advancements in the industry and in your equipment. Also, our internal quality control program ensures optimum and reliable operation of your elevator equipment.

To assure that quality standards are being maintained, we may conduct periodic field quality audit surveys. Your

# Platinum Premier Service Agreement

dedicated ThyssenKrupp Elevator representative will be available to discuss your elevator needs with you in all aspects of service and modernization. In addition, you may receive recommendations for upgrades that will also provide you with budget options designed to enhance the appearance, performance and safety of or meet Code requirements for your equipment over time.

## **Service Requests During Normal Working Days and Hours**

Service requests are defined as any request for dispatch of our technician to the location of the equipment covered in this agreement from one or more of the following: you or your representative, the building or building's representative, emergency personnel, and/or passengers through the elevator's communication device and/or from Vista Remote Monitoring through the elevator's communication line. Service requests include minor adjustments and response to emergency entrapments that can be accomplished in two hours or less (excluding travel time) and do not include regularly scheduled maintenance visits.

We will respond to service requests during normal business working days and hours, as defined above, at no additional charge.

## **Overtime Service Requests**

On all overtime service requests, we will absorb straight time and overtime premium expenses. Overtime service requests are performed before or after normal business working days and hours.

## **Cloud Based Remote Monitoring Service**

thyssenkrupp Elevator reserves the right to install new remote-monitoring devices on your elevators (each a "Device"). Each Device collects elevator signal output (i.e., cycle counters, event counters) (the "Raw Data") and transfers it into our cloud-based IoT (Internet of Things). The data is then analyzed by us to assist thyssenkrupp in anticipating maintenance needs on your equipment. Purchaser authorizes thyssenkrupp to install the Devices and, upon termination of the service agreement, to remove them from the premises if we elect to do so. thyssenkrupp shall be the sole owner of the Devices and the data communicated to us. The Devices shall not become fixtures, and are intended to reside where they are installed and should not be accessed, tampered with, or relocated. thyssenkrupp may remove the Devices and cease all data collection and analysis at any time. If the service agreement between thyssenkrupp and Purchaser is terminated for any reason, thyssenkrupp will automatically deactivate the data collection, terminate the device software and destroy all raw data previously received. The Devices installed by thyssenkrupp contain trade secrets belonging to us, and are installed for the use and benefit of our personnel only. Purchaser agrees not to permit Purchaser personnel or any third parties to use, access, copy, or reverse engineer the Devices.

## **Service History Website:**

This agreement includes Premium access to ThyssenKrupp Elevator's website in accordance with the following terms and conditions. During the term of this Agreement, ThyssenKrupp Elevator agrees to provide Purchaser with a user name and password to ThyssenKrupp Elevator's website for access to maintenance and service call data generated following the effective date of this Agreement. Purchaser shall, at its sole cost, provide and ensure the functioning integrity of its own hardware, software and internet connection necessary to access the website. By executing this Agreement, Purchaser acknowledges that any work performed by ThyssenKrupp Elevator modernization and/or construction personnel may not be included or accessible on the website. ThyssenKrupp Elevator reserves the right to restrict access to the website if any of Purchaser's accounts with ThyssenKrupp Elevator has an outstanding unpaid balance greater than 30 days or in the event of anticipated or pending litigation of any kind.

THE WEBSITE IS PROVIDED TO CUSTOMER "AS IS" AND WITH ALL FAULTS AND DEFECTS WITHOUT WARRANTY OF ANY KIND. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THYSSENKRUPP ELEVATOR EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE WEBSITE INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND

# Platinum Premier Service Agreement

NON-INFRINGEMENT, AND WARRANTIES THAT MAY ARISE OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OR TRADE PRACTICE. WITHOUT LIMITATION TO THE FOREGOING, THYSSENKRUPP ELEVATOR PROVIDES NO WARRANTY OR UNDERTAKING, AND MAKES NO REPRESENTATION OF ANY KIND THAT THE CP WILL BE ACCESSIBLE TO CUSTOMER, ACHIEVE ANY INTENDED RESULTS, MEET CUSTOMER'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, MEET ANY PERFORMANCE OR RELIABILITY STANDARDS OR BE ERROR FREE OR THAT ANY ERRORS OR DEFECTS CAN OR WILL BE CORRECTED. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW IN NO EVENT WILL THYSSENKRUPP ELEVATOR OR ITS AFFILIATES, BE LIABLE TO THE CUSTOMER OR ANY THIRD PARTY FOR ANY USE, INTERRUPTION, DELAY OR INABILITY TO USE THE WEBSITE OR FOR THE ACT OF ANY THIRD PARTY INCLUDING THE INCORPORATION OF A VIRUS, SPYWARE OR ANY OTHER MALICIOUS PROGRAMS.

**ThyssenKrupp Communications® (Check box if included)**

ThyssenKrupp Communications is ThyssenKrupp Elevator's 24-hour telephone monitoring and emergency call service. Our representatives are trained to handle elevator calls and they can assess the situation and quickly dispatch a technician when necessary. If needed, they can stay on the line to reassure a stranded passenger that help is on the way. ThyssenKrupp Communications maintains digital recordings and computerized records of the time, date, and location of calls received and action taken for the benefit of passengers and building owners. Special considerations regarding ThyssenKrupp Communications are set forth below.

Through its centralized ThyssenKrupp Communications call center, ThyssenKrupp Elevator will provide 7 days per week, 24 hours per day, 365 days per year dispatching service for calls placed by Purchaser after normal business working days and hours to the local ThyssenKrupp Elevator branch office and telephone monitoring on all elevator(s) maintained under this Agreement that have operational telephone equipment capable of placing a call to that call center. Depending on the nature of the call and circumstances, ThyssenKrupp Elevator's operators can call one or more of the following: Purchaser's Designated Contacts set forth in Section 2 below; Local Emergency Services at phone numbers provided by Purchaser in Section 3 below; and/or a local ThyssenKrupp Elevator service technician to be dispatched to the location of the equipment.

Purchaser hereby acknowledges that as a condition precedent to ThyssenKrupp Elevator's placement of calls to Purchaser's Designated Contacts and any Local Emergency Services under this Agreement, Purchaser must first complete Sections 1 and 2 below. Purchaser further acknowledges that it is Purchaser's sole responsibility to advise ThyssenKrupp Elevator immediately in writing of any changes to the information contained in those two (2) sections during the term of this Agreement. Purchaser acknowledges that no revision to that information will be made without ThyssenKrupp Elevator first receiving such request in writing from Purchaser's authorized representative.

Under those circumstances where ThyssenKrupp Elevator is unable to reach Purchaser's Designated Contacts set forth in Section 2 below, Purchaser hereby gives ThyssenKrupp Elevator express permission to dispatch a ThyssenKrupp Elevator service technician to the location of the equipment at Purchaser's expense in accordance with ThyssenKrupp Elevator's applicable billing rates. Purchaser further agrees that ThyssenKrupp Elevator does not assume any duty or responsibility to advise any caller, regardless of his or her location within or outside the elevator, to take or not take any specific action resulting from a medical or other emergency or any other situation including, but not limited to, entrapment of persons, evacuation, repair or return to service of any equipment.

In the event that a ThyssenKrupp Elevator call center operator perceives that a call from within the elevator constitutes a medical or other emergency, Purchaser hereby gives ThyssenKrupp Elevator the express permission to call Local Emergency Services at the telephone numbers provided by the Purchaser in Section 3 below at ThyssenKrupp Elevator's sole discretion. Under those circumstances, Purchaser agrees to pay all related charges for services provided by any Local Emergency Services in response to that call. Purchaser agrees that ThyssenKrupp Elevator shall not be responsible for ensuring an appropriate (or any) response by Local Emergency Services to that call.

# Platinum Premier Service Agreement

None of the services described anywhere in this Agreement includes maintenance of any type or kind of the Purchaser's telephone or other communication equipment. The Purchaser retains possession and control of its telephone and other communication equipment and is responsible for ensuring uninterrupted operation of that equipment so that it is capable of placing a call to ThyssenKrupp Communication's call center.

# Platinum Premier Service Agreement

**ThyssenKrupp Communications Contact Information - To Be Completed by Purchaser**

**Section 1, Elevator Detail:**

Total number of elevators in Building : \_\_\_\_\_

Elevator #	Elevator Telephone Number including Area Code		Elevator #	Elevator Telephone Number including Area Code

**Section 2, Purchaser Designated Contacts:**

In the event of an emergency, or perceived emergency affecting the equipment covered by this Agreement, the Purchaser designates the following as its decision-making contacts:

	Contact Name	Title	Primary Telephone #	Secondary Telephone #
1				
2				
3				

**Section 3, Local Emergency Services Contact Information:**

Phone # for Local Police Department: (     )     -     \_\_\_\_\_

Phone # for Local Fire Department: (     )     -     \_\_\_\_\_

**Section 4, Purchaser's Special Instructions:**

The following are special instructions provided by Purchasers with respect to the information supplied above:

**Periodic Safety Testing (Check box if included)**

ThyssenKrupp Elevator will test your equipment in accordance with those periodic testing requirements as outlined in the American National Safety Code for Elevators and Escalators, ANSI A 17.1, which are in effect at the time this agreement is executed. In the event that the state, city or local governing authority in which the equipment is located has adopted different requirements, ThyssenKrupp Elevator will test your equipment in accordance with those periodic testing requirements in effect at the time this agreement is executed. You agree to pay for any costs of the inspector and/or inspection fees. Special Considerations regarding periodic safety testing are set forth below.

# Platinum Premier Service Agreement

## **Product Information**

You agree to provide ThyssenKrupp Elevator with current wiring diagrams that reflect all changes, parts catalogs, and maintenance instructions for the equipment covered by this agreement (exception: we will supply all of the above for new ThyssenKrupp elevators at no additional cost). You agree to authorize us to produce single copies of any programmable device(s) used in the equipment for the purpose of archival back-up of the software embodied therein. These items will remain your property.

## **Safety**

You agree to instruct or warn passengers in the proper use of the equipment and to keep the equipment under continued surveillance by competent personnel to detect irregularities between elevator examinations. You agree to immediately report any condition that may indicate the need for correction before the next regular examination. You agree to immediately shut down the equipment upon manifestation of any irregularities in either the operation or the appearance of the equipment, to immediately notify us, and to keep the equipment shut down until the completion of any repairs. You agree to give us immediate verbal notice and written notice within ten (10) days after any occurrence or accident in or about the elevator. You agree to provide our personnel with a safe place to work. You agree to provide a suitable machine room, including secured doors, waterproofing, lighting, ventilation, and appropriate air temperature control to maintain that room at a temperature between 50°F and 90°F. You also agree to maintain the elevator pit in a dry condition at all times. Should water or other liquids become present, you will contract with others for removal and the proper handling of such liquids. We reserve the right to discontinue work in the building whenever, in our sole opinion, our personnel do not have a safe place to work. You also agree that if ThyssenKrupp Elevator's inspection of a piece of equipment serviced under this agreement reveals an operational problem which, in ThyssenKrupp Elevator's sole judgment, jeopardizes the safety of the riding public, ThyssenKrupp Elevator may shut down the equipment until such time as the operational problem is resolved. In that event, ThyssenKrupp Elevator will immediately advise you in writing of such action, the reason for such action, and whether any proposed solution is covered by the terms of this agreement.

## **Other**

You agree not to permit others to make alterations, additions, adjustments, or repairs or replace any component or part of the equipment during the term of this agreement. You agree to accept our judgment as to the means and methods employed by us for any corrective work under this agreement. Since ThyssenKrupp Elevator's top priority is the satisfaction of its customers, if you should have any concern(s) with the means and methods used to maintain or repair the equipment covered under this agreement, you agree to provide us with written notice of that concern and give us thirty (30) days to respond either in writing or commence action to appropriately resolve it.

In the event of the sale, lease or other transfer of the ownership or management of the premises in which the elevator(s) or equipment described herein are located, you agree to see that such transferee is made aware of this agreement and agrees to assume and/or be bound by the conditions hereof for the balance of the unexpired term of this agreement. Should the transferee fail to assume this agreement, you shall remain liable for all unpaid amounts, including those owed for the balance of the current unexpired term of this agreement.

## **Items Not Covered**

We do not cover cosmetic, construction, or ancillary components of the elevator system, including the finishing, repairing, or replacement of the cab enclosure, ceiling frames, panels, and/or fixtures, hoistway door panels, door frames, swing door hinges and closing devices, sills, car flooring, floor covering, lighting fixtures, ceiling light bulbs and tubes, main line power switches, breaker(s), feeders to controller, below ground or unexposed hydraulic elevator system, including but not limited to, jack cylinder, piston, PVC or other protective material; below ground or unexposed piping, alignment of elevator guide rails, smoke and fire sensors, fire service reports, all communication and entertainment devices, security systems not installed by us, batteries for emergency lighting and emergency lowering, air conditioners, heaters, ventilation fans, pit pumps and all other items as set forth and excluded in this agreement.

# Platinum Premier Service Agreement

## Other Conditions

With the passage of time, equipment technology and designs will change. If any part or component of your equipment covered under this agreement cannot, in our sole opinion, be safely repaired and is no longer stocked and readily available from either the original equipment manufacturer or an aftermarket source, that part or component shall be considered obsolete. You will be responsible for all charges associated with replacing that obsolete part or component as well as all charges required to ensure that the remainder of the equipment is functionally compatible with that replacement part or component. In addition, we will not be required to make any changes or recommendations in the existing design or function of the unit(s) nor will we be obligated to install new attachments or parts upon the equipment as recommended or directed by insurance companies, governmental agencies or authorities, or any other third party. Moreover, we shall not be obligated to service, renew, replace and/or repair the equipment due to any one or more of the following: anyone's abuse, misuse and/or vandalism of the equipment; anyone's negligence in connection with the use or operation of the equipment; any loss of power, power fluctuations, power failure, or power surges that in any way affect the operation of the equipment; fire, smoke, explosions, water, storms, wind, lightening, acts of civil or military authorities, strikes, lockouts, other labor disputes, theft, riot, civil commotion, war, malicious mischief, acts of God, or any other reason or cause beyond our control that affects the use or operation of the equipment. You expressly agree to release and discharge us and our employees for any and all claims and/or losses (including personal injury, death and property damage, specifically including damage to the property which is the subject matter of this agreement) associated therewith or caused thereby. ThyssenKrupp Elevator shall also automatically receive an extension of time commensurate with any delay in performance caused by or related to the aforementioned and you expressly agree to release and discharge ThyssenKrupp Elevator from any and all claims for consequential, special or indirect damages arising out of the performance of this agreement. In no event shall ThyssenKrupp Elevator's liability for damages arising out of this agreement exceed the remaining unpaid installments of the current, unexpired term of this agreement

Should your system require any of the safety tests on the commencement date of this agreement, ThyssenKrupp Elevator assumes no responsibility for the day-to-day operation of the governor or safeties on traction elevators, or the hydraulic system on hydraulic elevators under the terms of this agreement until the test has been completed and the equipment passed. Should the respective system fail any of those tests, it shall be your sole responsibility to make necessary repairs and place the equipment in a condition that we deem acceptable for further coverage under the terms of this agreement. We shall not be liable for any damage to the building structure or the elevator resulting from the performance of any safety tests we perform at any time under this agreement. If during the initial firefighter's service test, that feature is found to be inoperable, you shall be responsible for all costs associated with necessary repair(s) to bring the elevator(s) into compliance with the applicable elevator codes in your local jurisdiction.

In the event an Attorney is retained to enforce, construe or defend any of the terms and conditions of this agreement or to collect any monies due hereunder, either with or without litigation, the prevailing party shall be entitled to recover all costs and reasonable attorney's fees.

You hereby waive trial by jury. You agree that this agreement shall be construed and enforced in accordance with the laws of the state where the equipment is located. You consent to jurisdiction of the courts, both state and Federal, of the state in which the equipment is located as to all matters and disputes arising out of this agreement.

In the event any portion of this agreement is deemed invalid or unenforceable by a court of law, public policy or statute, such finding shall not affect the validity or enforceability of any other portion of this agreement.

Our rights under this agreement shall be cumulative and our failure to exercise any rights given hereunder shall not operate to forfeit or waive any of said rights and any extension, indulgence or change by us in the method, mode or manner of payment or any of its other rights shall not be construed as a waiver of any of its rights under this agreement.

# Platinum Premier Service Agreement

## **Price.**

The price for the services as stated in this agreement shall be Two Thousand Nine Hundred Fifty Dollars (\$2,950.00) per month, excluding taxes, payable Quarterly in advance.

## **Term**

This agreement is effective for Sixty (60) month(s) starting 10/27/2018 and is non-cancelable. To ensure continuous service, this agreement will be automatically renewed for successive Twelve (12) month periods, unless either party timely serves written notice upon the other party of its intention to cancel renewal at least ninety (90) days but not more than 120 days before the end of the initial Sixty (60) month period, or at least ninety (90) days but not more than 120 days before the end of any subsequent Twelve (12) month renewal period. Notice shall be sent by certified mail, return receipt requested to the address set forth on page 1 of this agreement. Time is of the essence.

## **Extended Term Agreement**

Purchaser shall receive a discount for extended terms as indicated below by signatory acceptance upon commencement of this Elevator Maintenance Agreement:

<b><u>Initial Term Of Agreement</u></b>	<b><u>Discount Credit</u></b>	<b><u>Initial and Date</u></b>
Seven(7) years	5%	_____
Ten(10) years	10%	_____
Fifteen(15) years	15%	_____
Twenty(20) years	20%	_____
Thirty(30) years	25%	_____

In the event you select an extended term, the agreement will automatically renew at the expiration of the extended term for successive periods equal to the initial extended term. Either party may terminate this agreement at the end of the initial extended term or at the end of any subsequent extended term by giving the other party at least ninety (90) days but not more than one hundred twenty (120) days written notice prior to the end of the then current term.

If for any reason, this agreement is terminated prior to the end of the current term; a condition of such termination shall be that you agree to pay us the full amount of the any discount you received during the original and any subsequent term. This is in addition to and not in lieu of any other rights or remedies we may have.

## **Annual Price Adjustments**

Since our costs to provide you with the service set forth in this agreement may increase, we reserve the right to adjust the price of our service under this agreement accordingly. In the event this occurs, we will adjust your monthly price based on the percentage change in the average rate paid to elevator examiners. This rate paid to elevator examiners consists of the hourly rate paid to examiners plus fringe benefits and union welfare granted in place of or in addition to the hourly rate. Fringe benefits include pensions, vacations, paid holidays, group insurance, sickness and accident insurance, and hospital insurance. We also reserve the right to make additional adjustment to the price of our service under this agreement and/or enact surcharges as needed to account for increased fuel prices when such increases exceed the Consumer Price Index (CPI) current rate. We also reserve the exclusive right to make additional adjustment to the price of our service under this agreement in the event that the equipment covered by this agreement is modified from its present state.

## **Early Payment Discount**

Elevator Maintenance Agreement

TK 11/11

2014-206348 - ACIA-TWB0V8

# Platinum Premier Service Agreement

You may elect to pay in advance for twelve (12) months of service described in this agreement. Such a pre-payment entitles you to a 3% discount from the annual price in effect at the time of payment.

## **Overdue Invoices**

A service charge of 1½% per month, or the highest legal rate, whichever is more, shall apply to all overdue accounts you have with ThyssenKrupp Elevator that are in any way related to your equipment described in this agreement. If you do not pay any sum due to ThyssenKrupp Elevator related to your equipment described in this agreement, regardless of whether it is billed pursuant to this agreement or any other with us, within sixty (60) days from the billing date, we may also choose to do one or more of the following: 1) suspend all service until all amounts due have been paid in full, and/or 2) declare all sums for the unexpired term of this agreement due immediately as liquidated damages and terminate our obligations under this agreement. If ThyssenKrupp Elevator elects to suspend service, we shall not be responsible for personal injury, death, damage to property (including damage to the equipment that is the subject matter of this agreement) or losses of any other type or kind that is in any way related the ThyssenKrupp Elevator's suspension of service. Upon resumption of service, you will be responsible for payment to ThyssenKrupp Elevator for all costs we incur that result from our suspension of service and to remedy any damage caused to your equipment during that time. Time is of the essence.

## **Change of Ownership or Management of Premises**

If during the initial term of this agreement, ownership or management of the premises where the equipment is located is transferred to a party other than Purchaser, Purchaser agrees to see that such transferee is made aware of this agreement. Purchaser shall also advise ThyssenKrupp Elevator in writing of said transfer and thereafter have the right to terminate this agreement upon thirty (30) days prior written notice to ThyssenKrupp Elevator. The parties, however, acknowledge that because ThyssenKrupp Elevator has amortized the cost of certain repairs over the full initial term of this agreement, any premature termination by Purchaser shall result in damages to ThyssenKrupp Elevator. In the event of such termination, ThyssenKrupp Elevator will provide the Purchaser with a detailed description of the those repairs, including the total time spent by ThyssenKrupp Elevator personnel to complete them and ThyssenKrupp Elevator's cost for any parts associated therewith, and the amount amortized and paid through the date of termination and Purchaser shall pay ThyssenKrupp Elevator the remaining unpaid balance on those repairs at ThyssenKrupp Elevator's current billing rates. Written notice of termination shall be sent by certified mail, return receipt requested to the address set forth on page 1 of this agreement.

## **Special Considerations**

### **Annual Price Adjustment**

The Contract and stated hourly rates price shall be subject to annual adjustment one (1) year from the beginning of the Contract and annually thereafter upon approval by the Owner. The price adjustment in any annual period shall be limited to a maximum of 3.5%.

### **Billing Rates for Work Not Included Under this MA**

All Work to be performed, not included in this Contract will be authorized by the Owner by written notification to Elevator Contractor prior to commencement of the Work. The maximum hourly rates, and material markup from cost, will be as follows:

	MECHANIC	HELPER	CREW
STRAIGHT TIME	\$325.00	\$260.00	\$585.00
OVERTIME (1.7)*	\$552.00	\$442.00	\$994.00
PREMIUM (2.0)*	\$650.00	\$520.00	\$1,170.00

\*Overtime = M-F 4:30p to 7:30a, All-day Sat, excluding Sun. Premium = Sundays and Holidays

# Platinum Premier Service Agreement

## **Preventative Maintenance Hours**

Elevator Contractor shall provide, as a minimum, four (4) mechanic hours on-site, per Month, performing, Warranty Preventive Maintenance and Extended Preventive Maintenance. On-site Preventive Maintenance shall be at least twice-monthly.

## **Additional Covered Callbacks**

ThyssenKrupp Elevator shall include three (3) billable troublecalls directly related to "power issues" in each annual contract term under this agreement. Power related troublecalls mean billable callbacks due to power fluctuations causing the elevator to shut down and not reset itself. This will include any minor repairs and adjustments due to those power issues and it will be limited to two (2) mechanic hours (material not include). The covered troublecalls are not transferable between properties and they may not be rolled over into any subsequent year.

# Platinum Premier Service Agreement

**Acceptance**

Your acceptance of this agreement and its approval by an authorized manager of ThyssenKrupp Elevator will constitute exclusively and entirely the agreement for the services herein described. All other prior representations or agreements, whether written or verbal, will be deemed to be merged herein and no other changes in or additions to this agreement will be recognized unless made in writing and properly executed by both parties. Should your acceptance be in the form of a purchase order or other similar document, the provisions of this agreement will govern, even in the event of a conflict. This proposal is hereby accepted in its entirety and shall constitute the entire agreement as contemplated by you and us. This proposal is submitted for acceptance within one-hundred twenty (120) days from the Date Submitted by the ThyssenKrupp Elevator representative indicated below.

No agent or employee shall have the authority to waive or modify any of the terms of this agreement without the prior written approval of an authorized ThyssenKrupp Elevator manager.

ThyssenKrupp Elevator Corporation:	The Collection LLC:	ThyssenKrupp Elevator Corporation Approval:
<p>By: _____ (Signature of ThyssenKrupp Elevator Representative)</p> <p>Kyle Dong Sales Manager Kyle.Dong@thyssenkrupp.com</p> <p>_____</p> <p>(Date Submitted)</p>	<p>By: _____ (Signature of Authorized Individual)</p> <p>_____</p> <p>(Print or Type Name)</p> <p>_____</p> <p>(Print or Type Title)</p> <p>_____</p> <p>(Date of Approval)</p>	<p>By: _____ (Signature of Authorized Individual)</p> <p>Leif Kjonggaard Branch Manager</p> <p>_____</p> <p>(Date of Approval)</p>

# Schindler Plus

## SCHINDLER ELEVATOR CORPORATION

99-1151 Iwaena Street  
Aiea, HI 96701-5647  
Phone: 808-547-8509  
Fax: 808-547-8510

**Date:** August 17, 2018

**Estimate Number:** MVKY-AHW4V6 (2016.7.1)

**To:**

The Collection  
600 Ala Moana Blvd  
Honolulu, HI 96813

**Building Name:**

The Collection

**Attn:** Al Guzman

### EQUIPMENT DESCRIPTION

Qty	Manufacturer	Equipment	Application	Description	Rise/Length			Install#
					Openings	Capacity	Speed	
The Collection								
600 Ala Moana Blvd Honolulu, HI 96813								
1	Thyssen	Gearless	Passenger	Elevator #1	43F/0R	3500	700	
1	Thyssen	Gearless	Passenger	Elevator #2	43F/0R	3500	700	
1	Thyssen	Gearless	Passenger	Elevator #3	43F/0R	3500	700	
1	Thyssen	Gearless	Passenger	Elevator #4	43F/1R	4000	700	

**SCHINDLER ELEVATOR CORPORATION** ("Schindler", "we", "us") 99-1151 Iwaena Street, Aiea, HI 96701-5647, and **THE COLLECTION**, 600 Ala Moana Blvd, Honolulu, HI 96813 ("you") agree as follows:

### PREVENTIVE MAINTENANCE SERVICE

- Our preventive maintenance program performed in accordance with a maintenance schedule specific to your equipment and its usage
- Examine, lubricate, adjust, and repair/replace covered components
- Criteria for replacement of all wire ropes will be the appropriate factor of safety
- Prompt callback coverage
- Safety testing
- Customer friendly and responsive communications

### PREVENTIVE MAINTENANCE PROGRAM

Our Preventive Maintenance Program, as described in this agreement will be performed in accordance with a maintenance schedule specific to your equipment. A Schindler technician will be assigned to you, and back up technicians are available as required to give you prompt service as required at all times. A Schindler account representative will be assigned to you, and will be your primary contact for communications regarding your agreement. Also available to you is our extensive technical support and parts inventory, at the site as needed, and local warehouses and our national Service Distribution Center available for express delivery in emergencies.

### EXAMINE, LUBRICATE, ADJUST, AND REPAIR/REPLACE COVERED COMPONENTS

We will periodically examine, lubricate, adjust, and as needed or if usage mandates, repair, or replace the Covered Components listed below.

## TRACTION ELEVATORS

**Basic components:** Selector motors; brake: pads, lining, disks or shoes, magnet coils, brushes & commutators; controller components: resistors, timers, fuses, overloads, minor contacts, wiring, coils; functional components of car and corridor operating stations; hangers and tracks, door operating devices, door gibs, guide shoes, rollers, traveling cables, signal lamps (replacement during regular visits only), interlocks, door closers, buffers, overspeed governors, car and counterweight safeties, alarm bells, switches, and door protection devices.

**Major components:** Hoist motors, hoist ropes, bearings for machine and sheaves, machine brake, motor generators, PC boards, sheave & sheave assemblies, solid state devices, compensation ropes and chains, and contactors.

We assume no responsibility for the following items: hoistway door hinges, panels, frames, gates and sills; cabs and cab flooring; freight elevator door straps, cab doors, gates and removable cab panels; cab mirrors and handrails; power switches, fuses and feeders to controllers; emergency cab lighting; light fixtures and lamps; cover plates for signal fixtures and operating stations; card readers or other access control devices; smoke/fire alarms and detectors; pit pumps and alarms; cleaning of cab interiors and exposed sills; plungers, pistons, casings and cylinders; automatic ejection systems; all piping and connections except that portion which is exposed in the machine room and hoistway; guide rails; tank; emergency power generators; telephone service, communication devices; disposal of used oil; intercom or music systems; ventilators, air conditioners or heaters; adverse elevator operation as a result of machine room temperatures (including temperature variations below 60 degrees Fahrenheit and above 90 degrees Fahrenheit); media displays; computer consoles or keyboards; fireman's phones; exterior panels, skirt and deck panels, balustrades, relamping of illuminated balustrades; attachments to skirts, decking or balustrades; moving walk belts; pallets; steps; skirt brushes; sideplate devices; any batteries associated with the equipment; obsolete items, (defined as parts, components or equipment either 20 or more years from original installation, or no longer available from the original equipment manufacturer or an industry parts supplier, replaceable only by refabrication.) In the event that safety testing is performed by us at the start of the Agreement, and we find that critical safety components, such as the governor and/or safeties for traction equipment, and/or valves on hydraulic equipment, are not operating correctly, therefore resulting in unsafe conditions, you will be responsible to authorize the necessary repairs/replacements of this equipment, at your expense.

## CLEANING

We will periodically clean the machine room, car top, and pit of debris related to our work in these areas.

## TESTING OF SAFETY DEVICES

<u>Equipment</u>	<u>Test</u>	<u>Frequency</u>
Gearless	No Load	Annually
Gearless	Full Load	Every 5 years

Our testing responsibilities do not include fees or charges imposed by local authorities in conjunction with witnessing, witnessing costs, inspecting, assisting inspection authorities, licensing or testing the Equipment including observation of testing by 3rd parties; changes in the testing requirements after the initial start date of this Agreement, or any other testing obligations other than as specifically set forth above, including, but not limited to seismic tests. Since these tests may expose the equipment to strains well in excess of those experienced during normal operation, Schindler will not be responsible for any damage to the equipment or property, or injury to or death of any persons, resulting from or arising out of the performance of these tests. Further, our testing responsibilities do not include performance, or the keeping of records related to, monthly firefighters service.

## CUSTOMER FRIENDLY AND RESPONSIVE COMMUNICATIONS

Service dispatching will take place through our Schindler Customer Service Network (SCSN), which is staffed by qualified Schindler personnel, 24 /7. You will be provided with a customer identification number, which must be referenced when a call is placed for your facility. Our dispatchers will have access to your building's service call records, and will promptly relay the details of your call to the assigned technician.

## SCHINDLER DIGITAL

You will be provided access to Schindler's digital tools, which include Schindler Direct, Schindler Dashboard, and Schindler Dashboard Mobile. These digital tools and their three subscription tiers are described below.

**Schindler Direct** provides remote connectivity to your Equipment. Schindler Direct will automatically notify us if any connected component or function is operating outside established parameters. When appropriate, we will communicate with you to schedule appropriate service calls. Monitoring will be performed 24/7 and will automatically communicate with our Customer Service Network using dedicated wireless cellular technology. Schindler will make every reasonable effort to maintain wireless connectivity. If cellular service is not available or becomes unavailable you have the responsibility to install, maintain and pay for a dedicated telephone line, and to notify us at any time of any interruption of such telephone service. If requested, you will provide the proper wiring diagrams for the equipment covered. These diagrams will remain your property, and will be maintained by Schindler for use in troubleshooting and servicing the equipment.

**Schindler Dashboard and Dashboard Mobile** are communication technologies that provide access to real-time information about your equipment including: performance history, reports, push notifications, service call records, unit profiles and more.

The three subscription tiers for Schindler Digital are:

**Digital Connect** – Schindler's Digital Connect package provides wireless cellular communication from your equipment's controller to Schindler's data network. This allows Schindler Direct to be connected to your equipment 24/7. Digital connect also provides access to the basic features of Dashboard and Dashboard Mobile, giving you real time information on your equipment.

**Digital Enhanced** – The Enhanced Package includes Digital Connect, plus access to Schindler's Digital Support Team. This team analyzes information gathered by Schindler Direct, which improves the reliability of your equipment and improves the response time. The Digital Support Team can alert you when a shutdown is detected, helps confirm issues remotely, and provides real-time ETAs for technicians en route. With these enhanced diagnostics, we can guarantee that you will not be charged for Running on Arrival calls. Under the "No Running on Arrival Guarantee," Schindler will fully cover the cost of any callback during regular hours related to the following situations: Elevator or Escalator Running in normal operation, or running under any of the following special services modes: Independent service, Fireman's service (Phase I or Phase II), or Inspection operation. All other callbacks will be billed as outlined in the service agreement.

**Digital Premium (Coming Soon)** – The premium package is our top tier, and was created for customers requiring the most comprehensive level of service. Our premium package offers the highest level of functionality and support. The Premium tier also includes concierge level assistance for all of your service needs.

During the term of this agreement, you have the ability to adjust the tier you have selected at your convenience.

## CALLBACK RESPONSE TIME

We will respond to callbacks during regular working hours within an average of 4 hours of notification, and during overtime hours within an average of 12 hours of notification, unless we are prevented from doing so by causes beyond our control.

## HOURS OF SERVICE

We will perform the services during our regular working hours of regular working days, excluding elevator trade holidays. The services include 24 hour emergency minor adjustment callbacks. All other work outside the services will be billed at our standard billing rates. A request for service will be considered an "emergency minor adjustment callback" if it is to correct a malfunction or adjust the equipment and requires immediate attention (either due to a passenger entrapment, loss of access to a floor, or complete loss of elevator service) and is not caused by misuse, abuse or other factors beyond our control. The term does not include any correction or adjustment that requires more than one technician or more than two hours to complete.

## TERM

This Agreement commences on October 01, 2018, and continues until September 30, 2023, and shall renew (where permitted by applicable local law) for subsequent similar periods, unless terminated by either party upon written notice received by the other party at least 90 days prior to the above termination date or any renewal termination date, and not more than 120 days before the termination date.

## PRICE

In consideration of the services provided hereunder, you agree to pay us the sum of \$3,000.00 per month, payable in annual installments of \$36,000.00, exclusive of applicable taxes, unless another payment frequency option is selected below.

This Agreement does not include Schindler Digital. If you would like to choose a Schindler Digital tier, please indicate by checking below:

- Upgrade to the Digital Connect Package - \$10 per unit, per month addition.
- Upgrade to the Digital Enhance Package - \$20 per unit, per month addition.

The packages above are dependent upon applicable equipment type and hardware installation, which will be installed at the owner's expense. Please contact your Schindler Rep for more information.

## PRICE ADJUSTMENT

The contract Price and labor rates for extra work will be adjusted annually in January. This adjustment will be based upon the local labor rate adjustment for the year in which it is adjusted, and will be increased or decreased on the basis of changes to the local straight time hourly rate for mechanics. If there is a delay in determining a new labor rate, or an interim determination of a new labor rate, we will notify you and adjust the price at the time of such determination, and we will retroactively bill or issue credit, as appropriate, for the period of such delay. We also reserve the right to adjust the contract price quarterly / annually on the basis of changes in other expenses such as fuel, waste disposal, government regulations or administrative costs. Should you elect to take the annual pre-payment option, the price adjustment date will default to coincide with the invoice date.

The annual contract price adjustment will not apply to Schindler Digital. Schindler reserves the right to make adjustments to the monthly fee for the Schindler Digital tiers as additional value added features and functionality are added to the selected offering.



**The attached terms and conditions** are incorporated herein by reference.

Acceptance by you as owner's agent or authorized representative and subsequent approval by our authorized representative will be required to validate this agreement.

Proposed:

\_\_\_\_\_

By: Matthew VonKossovsky

For: Schindler Elevator Corporation

Title: Sales Representative

Date: August 17, 2018

Accepted:

\_\_\_\_\_

By: \_\_\_\_\_

For: The Collection

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Approved:

\_\_\_\_\_

By: Landon Mizuguchi

Title: District Manager

Date: \_\_\_\_\_

## TERMS AND CONDITIONS

1. This is the entire Agreement between us, and no other terms or conditions shall apply. This service proposal does not void or negate the terms and conditions of any existing service agreement unless fully executed by both parties. No services or work other than specifically set forth herein are included or intended by this Agreement.
2. You retain your responsibilities as Owner and/or Manager of the premises and of the Equipment. You will provide us with clear and safe access to the Equipment and a safe workplace for our employees as well as a safe storage location for parts and other materials to be stored on site which remain our property, in compliance with all applicable regulations related thereto, you will inspect and observe the condition of the Equipment and workplace and you will promptly report potentially hazardous conditions and malfunctions, and you will call for service as required; you will promptly authorize needed repairs or replacements outside the scope of this Agreement, and observe all testing and reporting responsibilities based upon local codes. You will not permit others to work on the Equipment during the term of this Agreement. You agree that you will authorize and pay for any proposed pre-maintenance repairs or upgrades (including any such repairs or upgrades proposed during the first 30 days of this agreement), or we will have the option to terminate this Agreement immediately, without penalty to us. You agreed to post and maintain necessary instructions and / or warnings relating to the equipment.
3. We will not be liable for damages of any kind, whether in contract or in tort, or otherwise, in excess of the annual price of this Agreement. We will not be liable in any event for special, indirect or consequential damages, which include but are not limited to loss of rents, revenues, profit, good will, or use of Equipment or property, or business interruption.
4. Neither party shall be responsible for any loss, damage, detention or delay caused by labor trouble or disputes, strikes, lockouts, fire, explosion, theft, lightning, wind storm, earthquake, floods, storms, riot, civil commotion, malicious mischief, embargoes, shortages of materials or workmen, unavailability of material from usual sources, government priorities or requests or demands of the National Defense Program, civil or military authority, war, insurrection, failure to act on the part of either party's suppliers or subcontractors, orders or instructions of any federal, state, or municipal government or any department or agency thereof, acts of God, or by any other cause beyond the reasonable control of either party. Dates for the performance or completion of the work shall be extended by such delay of time as may be reasonably necessary to compensate for the delay.
5. You will assign this Agreement to your successor in interest, should your interest in the premises cease prior to the initial or any renewal termination date. If this Agreement is terminated prematurely for any reason, other than our default, including failure to assign to a successor in interest as required above, you will pay as liquidated damages (but not penalty) one-half of the remaining amount due under this Agreement.
6. The Equipment consists of mechanical and electrical devices subject to wear and tear, deterioration, obsolescence and possible malfunction as a result of causes beyond our control. The services do not guarantee against failure or malfunction, but are intended to reduce wear and prolong useful life of the Equipment. We are not required to perform tests other than those specified previously, to install new devices on the equipment which may be recommended or directed by insurance companies, federal, state, municipal or other authorities, to make changes or modifications in design, or to make any replacements with parts of a different design. We are responsible to perform such work as is required due to ordinary wear and tear. We are not responsible for any work required, or any claims, liabilities or damages, due to: obsolescence; accident; abuse; misuse; vandalism; adverse machine room conditions (including temperature variations below 60 degrees and above 90 degrees Fahrenheit) or excessive humidity; overloading or overcrowding of the Equipment beyond the limits of the applicable codes; adverse premises or environmental conditions, power fluctuations, rust, or any other cause beyond our control. We will not be responsible for correction of outstanding violations or test requirements cited by appropriate authorities prior to the effective date of this agreement.
7. Invoices (including invoices for extra work outside the fixed price) will be paid upon presentation, on or before the last day of the month prior to the billing period. Late or non-payments will result in:
  - (a) Interest on past due amounts at 1½% per month or the highest legal rate available;
  - (b) Termination of the Agreement on ten (10) days prior written notice; and
  - (c) Attorneys' fees, cost of collection and all other appropriate remedies for breach of contract.

8. If either party to this Agreement claims default by the other, written notice of at least 30 days shall be provided, specifically describing the default. If cure of the default is not commenced within the thirty-day notification period, this Agreement may be terminated. In the event of litigation, the prevailing party will be entitled to its reasonable attorneys' fees and costs. If you elect to modernize any or all of the Equipment during the term of this agreement, you will give us the option, within a reasonable time, to prepare an offer for the work and/or evaluate competitor proposals and compare scope of work and price. If we are unable to match price and scope of work, or present an alternative proposal, this Agreement may be canceled with ninety (90) days written notice.

9. Any proprietary material, information, data or devices contained in the equipment or work provided hereunder, or any component or feature thereof, remains our property. This includes, but is not limited to, any tools, devices, manuals, software (which is subject to a limited license for use in this building/premises/ equipment only), modems, source/ access/ object codes, passwords and the Schindler Direct feature ("SD") (if applicable) which we will deactivate and remove if the Agreement is terminated.

10. You will prevent access to the Equipment, including the SD feature and/or dedicated telephone line if applicable, by anyone other than us. We will not be responsible for any claims, losses, demands, lawsuits, judgment, verdicts, awards or settlements ("claims") arising from the use or misuse of SD, if it or any portion of it has been modified, tampered with, misused or abused. We will not be responsible for use, misuse, or misinterpretation of the reports, calls, signals, alarms or other such SD output, nor for claims arising from acts or omissions of others in connection with SD or from interruptions of telephone service to SD regardless of cause. You agree that you will defend, indemnify and hold us harmless from and against any such claims, and from any and all claims arising out of or in connection with this Agreement, and/or the Equipment, unless caused directly and solely by our established fault.

11. Should this Agreement be accepted by you in the form of a purchase order, the terms and conditions of this Agreement will take precedence over those of the purchase order.

12. Schindler Elevator Corporation is insured at all locations where it undertakes business for the type of insurance. You agree to accept, named as certificate holder, in full satisfaction of the insurance requirements for this Agreement, our standard Certificate of Insurance. Limits of liability as follows:

- (a) Workers' Compensation - Equal to or in excess of limits of Workers' Compensation laws in all states and the District of Columbia.
- (b) Comprehensive Liability - Up to Two Million Dollars (\$2,000,000.00) single limit per occurrence, Products/Completed Ops Aggregate \$5,000,000.
- (c) Auto Liability - \$5,000,000 CSL.
- (d) Employer's Liability - \$5,000,000 Each Accident/Employee/Policy Limit.

13. You hereby authorize us to produce single copies of the EPROM and/or ROM chips for each elevator subject to this Agreement for the sole purpose of archival back-up of the software embodied therein. The duplicate chip(s) for a given elevator shall be identified by serial number, or other means, and shall be stored on the building premises in a secured area in the elevator equipment room or you may retain possession. We agree that back-up chips are not for the benefit of purchase or sale, or for use in other elevator systems, and shall be used for no other purpose than the replacement of a defective or damaged chip on the particular elevator. In the event that your continued possession of the computer program should cease to be rightful, we agree that all such archival copies shall be destroyed.

14. You acknowledge that certain replacement parts, such as printed circuit boards or control related parts, may be difficult to obtain. While we do not anticipate problems or delays obtaining such parts, it may be necessary or desirable for you to order such parts directly from the original equipment manufacturer ("OEM"). You agree, in such event, to order parts promptly from the OEM, at any time and from time to time, as specified by us. We agree to reimburse you for the reasonable cost of such parts (as covered by this Agreement) promptly upon receipt from you of copies of the invoice(s) together with appropriate payment documentation.

15. Should conditions arise requiring use of the OEM diagnostic tool, we will promptly notify you. You agree, in such event, to promptly contact the OEM for diagnostic service and repair. You will be responsible for all costs related to such service and repair. You further agree that we shall not be responsible for any delays, damage, costs or claims associated with you or OEM's failure to timely provide a diagnostic tool, and you will indemnify, defend and hold us harmless from any such delays, damage, cost or claim.



DATE: 09/04/2018

TO:
The Collection
Attn: Mr. Al Guzman
600 Ala Moana Blvd
Honolulu, HI 96813

FROM:
Otis Elevator Company
863 Halekauwila St #4
Honolulu, HI 96813

EQUIPMENT LOCATION:
The Collection
600 Ala Moana Blvd.
Honolulu, HI, 96813

Nelson Koki
Phone: (808) 599-1134
Fax:(860) 660-4050

PROPOSAL NUMBER: ALW942

EQUIPMENT DESCRIPTION:

Table with 5 columns: No Of Units, Type Of Units, Manufacturer, Customer Designation, Machine Number. Row 1: 4, GEARLESS, THYSSEN, Elv 1-1, Elv 1-2, Elv 1-3, Elv 1-4, F11896, F11908, F11909, F11932

OTIS MAINTENANCE

We propose to furnish Otis Maintenance on the equipment ("Units") described above. Otis Maintenance is a full preventive maintenance service intended to protect your investment, extend equipment life, and provide a high level of performance and reliability.

OTIS MAINTENANCE MANAGEMENT SYSTEMSM

We will use the Otis Maintenance Management System preventive maintenance program to deliver service tailored to your specific building needs. Equipment type, component life, equipment usage, and building environment will be taken into account by the OMMS® scheduling system, which will be used to plan maintenance activities in advance. The Units will be provided with devices to monitor equipment usage. We will use OMMS standard work processes developed and continuously improved by Otis.

Under this Contract, we will maintain the Units on the following terms and conditions:

PERFORMANCE MAINTENANCE

We will maintain the Units using trained personnel directly employed and supervised by us. The maintenance will include inspection, lubrication, and adjustment of the following parts:

- Controller parts, selectors and dispatching equipment, relays, solid-state components, transducers, resistors, condensers, power amplifiers, transformers, contacts, leads, dashpots, timing devices, computer and microcomputer devices, steel selector tapes, mechanical and electrical driving equipment, signal lamps, and position indicating equipment.
■ Door operators, car door hangers, car door contacts, door protective devices, load weighing equipment, car frames, car safety mechanisms, platforms, car and counterweight guide shoes including rollers and gibs, and emergency car lighting.
■ Hoistway door interlocks and hangers, bottom door guides, and auxiliary door closing devices.
■ Machines, worms, gears, thrust bearings, drive sheaves, drive sheave shaft bearings, brake pulleys, brake coils,

contacts, linings, and component parts.

- Motors, brushes, brush holders, and bearings.
- Governor components, governor sheaves and shaft assemblies, bearings, contacts, governor jaws, deflector or secondary sheaves, car and counterweight buffers, car and counterweight guide rails, car and counterweight sheave assemblies, top and bottom limit switches, governor tension sheave assemblies, and compensating sheave assemblies.
- Pumps, pump motors, operating valves, valve motors, leveling valves, plunger packings, exposed piping, above ground plungers and cylinders, and hydraulic fluid tanks.
- Escalator handrails, handrail drive chains, handrail brush guards, handrail guide rollers, alignment devices, steps, step treads, step wheels, step chains, step axle bushings, comb plates, floor plates, tracks, external gearing, and drive chains.
- Escalator upper drives, upper drive bearings, tension sprocket bearings, upper newel bearings and lower newel bearings, demarcation lights, and comb lights.

**RELIABILITY**

**PARTS COVERAGE**

If necessary, due to normal usage and wear, Otis will repair or replace any of the parts specified above at their sole discretion, unless specifically excluded elsewhere in the contract. Any parts under this Contract requiring replacement will be replaced with parts selected by Otis.

**PARTS INVENTORY**

We will during the term of this Contract maintain a supply of frequently used replacement parts and lubricants selected by Otis to meet the specific routine requirements of the Units. Any replacement parts stored in the machine room remain our property until installed in the Units. We further agree to maintain a supply of routine replacement parts available for express delivery in case of emergencies.

**QUALITY CONTROL**

We will periodically conduct field audits of our personnel and the Units to maintain quality standards. Otis field engineers will provide technical assistance, technical information, and Code consultation to support our maintenance organization.

**RESPONSIVENESS**

**24-HOUR DISPATCHING**

We will, at your request, provide you with access to eService and our OTISLINE 24-hour, year-round dispatching service. In the event a Unit malfunction occurs between regular examinations, you will be able to place a service call on eService or through an OTISLINE customer service representative, who will, at your request, dispatch an examiner to perform service. In the event Otis receives an emergency call from the phone in the elevator and a passenger indicates a need for assistance, Otis shall attempt to contact a building representative for an assessment of the situation and authorization to respond to the call. If Otis is unable to reach a building representative, Otis shall respond to the emergency call from the phone in the elevator. The visit will be treated as a Callback. It is your responsibility to: (a) have a representative available to receive and respond to OTISLINE calls; and (b) maintain working telephone equipment.

**COMMUNICATION**

**CUSTOMER REPRESENTATIVE**

As a service to you, and at your request an Otis representative will be available to discuss with you your elevator needs in the areas of modernization, traffic handling ability, recommendations and requirements of Code authorities, proper use and care of the Units, and the OMMS program. There is no additional charge for this consulting service, but by making this service available to you, Otis does not assume any duty to warn.

**REPORTS – eSERVICE**

We will use the OMMS program to record completion of maintenance procedures. We will, at your request, provide you access to eService. You will be able to access twelve (12) months of repair, completed maintenance procedure and service call history for the Unit(s). You will be responsible for obtaining Internet access to use eService.

## **SAFETY AND ENVIRONMENT**

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### **SAFETY TESTS – TRACTION ELEVATORS**

We will periodically examine safety devices and governors of the Units. We will conduct an annual no load test and perform at each fifth year a full load, full speed test of safety mechanisms, overspeed governors, and car and counterweight buffers. If required, the governor will be recalibrated and sealed for proper tripping speed, and elevator car balances will be checked.

As required by Code, or once every five years at a minimum, we will measure the coated steel belts for safety using a method approved by the manufacturer.

### **FIREFIGHTERS' SERVICE TEST**

If the equipment has firefighters' service, you assume responsibility for performing and keeping a record of any Code required tests and for the maintenance, functioning and testing of the smoke and/or heat detectors.

If during the initial firefighters' service test any elevator firefighters' service is found to be inoperable, the building will be responsible for all of the cost associated with the repairs necessary to bring the unit in compliance with the applicable Codes.

If any applicable Code or governing authority mandates that such required tests be performed by a licensed elevator mechanic, Otis will provide such testing and service on an Open Order basis. You will be responsible for the costs associated with such testing and service.

### **SAFETY TRAINING**

We will instruct our personnel to use appropriate personal protection equipment and follow safe work practices.

### **ENVIRONMENTAL PROTECTION**

Otis endeavors to reduce generation of waste materials, to minimize risks to the environment, customers, the general public and Otis employees, and to comply with all federal and state environmental laws and regulations. Material Safety Data Sheet (MSDS) Manuals are available for review at your request.

You assume responsibility for removal of wastes, including but not limited to hydraulic oil, spoils, asbestos, etc., as it is not part of this Contract.

### **MAINLINE DISCONNECTS**

You agree to engage a qualified electrician to service at least once annually the elevator mainline disconnects located in the elevator equipment room.

### **SHARED RESPONSIBILITY**

You agree to provide us unrestricted ready and safe access to all areas of the building in which any part of the Units are located and to keep all machine rooms and pit areas free from water, stored materials, and debris. You agree to provide a safe work place for our personnel, and to remove and remediate any waste or hazardous materials in accordance with applicable laws and regulations.

If any Unit is malfunctioning or is in a dangerous condition, you agree to immediately notify us using the 24-hour OTISLINE service. Until the problem is corrected, you agree to remove the Unit from service and take all necessary precautions to prevent access or use.

You agree to properly post, maintain, and preserve any and all instructions or warnings to passengers in connection with the use of any Units.

In furtherance of OSHA's directive contained in 29 C.F.R. § 1910.147(f)(2)(i), which requires that a service provider (an "outside employer") and its customer (an "on-site employer") must inform each other of their respective lock out/tag out ("LOTO") procedures whenever outside servicing personnel are to be engaged in control of hazardous energy activities

on the customer's site, Otis incorporates by reference its mechanical LOTO procedures and its electrical LOTO procedures. These procedures can be obtained at [www.otis.com](http://www.otis.com) by (1) clicking on "The Americas" tab on the left side of the website; (2) choosing "US/English" to take you to the "USA" web page; (3) clicking on the "Otis Safety" link on the left side of the page; and (4) downloading the "Lockout Tagout Policy Otis 6.0" and "Mechanical Energy Policy Otis 7.0," both of which are in .pdf format on the right side of the website page. Customer agrees that it will disseminate these procedures throughout its organization to the appropriate personnel who may interact with Otis personnel while Otis personnel are working on site at Customer's facility.

## **WORK SCHEDULE**

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### **NORMAL HOURS**

All maintenance procedures and repairs will be performed during our regular working hours of our regular working days for the examiners who perform the service. All lamp and signal replacements will be performed during regular examinations.

For purposes of this Contract, a Callback is a response by Otis to a request for service or assistance made (a) by the customer or customer representative, (b) by the building or building representative; (c) by emergency personnel; (d) through the ADA phone line, and/or (e) through REM® monitoring system, for service or assistance, on an as needed basis, excluding regularly scheduled maintenance.

Regular working hours: 7:30 AM - 4:00 PM.

Regular working days: Monday – Friday excluding holidays.

### **OVERTIME**

Callbacks outside of regular working hours will be billed at standard overtime rates.

## **OWNERSHIP AND LICENSES**

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### **WIRING DIAGRAMS**

You agree to provide us with current wiring diagrams reflecting all previously made changes for Units covered by this Contract to facilitate proper maintenance of the equipment. We shall maintain the wiring diagrams so that they properly reflect any changes made by Otis to the equipment. These diagrams will remain your property.

### **OTIS SERVICE EQUIPMENT**

Any counters, meters, tools, remote monitoring devices, or communication devices which we may use or install under this Contract remain our property, solely for the use of Otis employees. Such service equipment is not considered a part of the Units. You grant us the right to store or install such service equipment in your building and to electrically connect it to the Units. You will restrict access to the service equipment to authorized Otis personnel. You agree to keep the software resident in the service equipment in confidence as a trade secret for Otis. You will not permit others to use, access, examine, copy, disclose or disassemble the service equipment or the software resident in the service equipment for any purpose whatsoever. If the service is terminated for any reason, we will be given access to your premises to remove the service equipment, including the resident software, at our expense.

### **OTIS SOFTWARE**

Software owned by Otis may be embedded in parts or otherwise provided by Otis as part of this maintenance agreement. You have the right to use this software only for operation of the units for which the part was provided. You may also make a backup or archival copy of the software, provided you reproduce the copyright notice and any other legend of ownership on the copy. You may not otherwise copy, display, adapt, modify, distribute, reverse assemble, reverse compile, or otherwise translate the software. You will not transfer possession of the software except as part of a transfer of ownership of the Units and the assumption of the rights and obligations under this agreement by the transferee.

### **NON-OTIS SOFTWARE**

You retain your rights to any software not provided by Otis contained in the Units and agree to allow Otis to make one backup or archival copy for you.

### **SERVICE TOOLS**

You are responsible to secure our right to use any special service tools required to maintain your non- Otis equipment. These tools must be provided prior to us beginning maintenance on such equipment.

## THE UNITS

It is agreed that we do not assume possession or control of the Units, that such Units remain yours solely as owner and operator, lessee, or agent of the owner or lessee, and that you are solely responsible for all requirements imposed by any federal, state, or local law, Code, ordinance or regulation.

## CLARIFICATIONS

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This Contract does not cover car enclosures (including, but not limited to, wall panels, door panels, car gates, plenum chambers, hung ceilings, lighting, light diffusers, light tubes and bulbs, handrails, mirrors and floor coverings), rail alignment, hoistway enclosures, hoistway gates, hoistway inserts and brackets, mainline disconnect switches, doors, door frames, sills, swing door hinges and closing devices, below ground or unexposed hydraulic cylinders and plungers, buried or unexposed piping, escalator balustrades, escalator lighting or wedge guards. Without affecting our obligation to provide service under this Contract, you agree to permit us to train our personnel on the Units. This Contract does not cover computer and microcomputer devices, such as terminal keyboards and display units that are not exclusively dedicated to the elevator system. This Contract does not cover telephones installed by others, intercoms, heat sensors, smoke sensors, communications equipment, or safety signaling equipment, or instructions or warnings in connection with use by passengers.

We will not be required: (i) to make any tests other than that as specifically set forth herein; (ii) to make any replacements with parts of a different design or type; (iii) to make any changes in the existing design of the Units; (iv) to alter, update, modernize or install new attachments to any Units, whether recommended or directed by governmental authorities or by any third party; (v) to make repairs or replacements necessitated by failures detected during or due to testing of the Units or buried or unexposed hydraulic cylinders or piping and (vi) to replace or repair any component or system utilizing obsolete or discontinued parts, including parts for which the original design is no longer manufactured by the original equipment manufacturers, or parts where the original item has been replaced by an item of different design or is replaceable only by fabrication; (vii) to provide reconditioned or used parts; (viii) to make any replacements, renewals, or repairs necessitated by reason of any cause beyond our control including, but not limited to, fire, explosion, theft, floods, water, weather, earthquake, vandalism, misuse, abuse, mischief, or repairs by others.

You assume responsibility for the cost of correcting all Elevator Code violations existing on the date we enter into this Contract. If such Code violations or other outstanding safety violations are not corrected in accordance with this Contract, Otis may with respect to the equipment not meeting Code requirements cancel this Contract without penalty by providing thirty (30) days written notice.

Should you require us to interface with a third party work order, insurance or safety systems, Otis will add an appropriate fee to cover the additional cost associated with this service.

Neither party shall be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to, acts of government, strikes, lockouts, other labor disputes, fire, explosion, theft, floods, water, weather, earthquake, riot, civil commotion, war, vandalism, misuse, abuse, mischief, or acts of God.

We agree that we shall be liable for accidents and injuries to person or property when adjudged to have been caused by the sole negligence or willful misconduct of Otis or our employees. In all other instances, Customer shall indemnify, defend and hold us harmless against all claims, damages, losses, costs, and expenses (including attorney's fees and other litigation costs) arising out of or connected with the use, repair, maintenance, operation or condition of the Equipment. We shall maintain worker's compensation and employers' liability insurance covering our liability for injury or death sustained by our employees, and comprehensive general liability insurance. You shall insure that all risk insurance upon the full value of the Work and material delivered to the job site is maintained at no cost to us. If either party so requires, in writing, the other party shall furnish certificates of insurance evidencing the above insurance coverages.

Notwithstanding any other agreement or provision to the contrary, under no circumstances will either party be liable for any indirect, special or consequential damages of any kind, including, but not limited to, fines or penalties, loss of profits, loss of rents, loss of good will, loss of business opportunity, additional financial costs, or loss of use of any equipment or property, whether in contract, tort, warranty or otherwise.

You agree to provide us unrestricted ready and safe access to all areas of the building in which any part of the Units are located, to keep all machine rooms and pit areas free from water, stored materials, and debris, to provide a safe work place for our personnel, to remove and remediate any waste or hazardous materials in accordance with applicable laws

and regulations, and to provide a grounded, 3-prong electrical system and proper lighting in the machine rooms and pits. We shall not be obliged to perform until such unsafe condition has been remedied.

If any Unit is malfunctioning or is in a dangerous condition, you agree to notify us as soon as possible using the 24-hour OTISLINE® service. Until the problem is corrected, you agree to remove the Unit from service and take all necessary precautions to prevent access or use.

You will provide written notice within twenty-four hours after occurrence of any accident in or about the elevator (s) and/or escalator(s) to us and if required by law, to any local authorities. You further agree to preserve replaced parts.

Escalator Units are designed only for transporting passengers. For escalator Units, you agree to take all necessary measures to prevent other items from being conveyed, so that features designed to protect passengers and prevent property damage are not damaged. When stationary, escalators are to be properly barricaded and not to be used as steps.

You agree to properly post, maintain, and preserve any and all instructions or warnings to passengers in connection with the use of any Units.

In the event of an entrapment, Customer will call Otis and wait for a trained and licensed elevator mechanic to arrive, except for a medical emergency situation where it may be appropriate to summon a professional first responder such as police or firemen. Customer agrees that its agents, contractors, employees or representatives shall not attempt to extricate any passengers from an elevator that becomes stalled within the hoistway.

Otis will not be required to make renewals or repairs necessitated by fluctuations in the building AC power systems, adverse hoistway or machine room conditions (including temperature variations below 60 degrees and above 90 degrees Fahrenheit), excessive humidity, adverse environmental conditions, water damage, rust, fire, explosion, acts of God, misuse, or vandalism.

If this Agreement is terminated prematurely for any reason, other than our own default, you agree to pay as liquidated damages, and not as a penalty, one-half (50%) of the remaining amount due under this Agreement.

Should this Agreement be accepted by you in the form of a purchase order, the terms and conditions of this Agreement will take precedence over those of the purchase order.

We will not be liable for any claim, injury, delay, death or loss or property resulting from telephone equipment failure, false alarms, interruption of telephone service, or "no voice calls", i.e. calls from inside the equipment to Otisline where there is no verbal response to the Otisline operator.

**ALTERATIONS**

You will not allow others to make alterations, additions, adjustments, or repairs to the equipment.

**SPECIAL PROVISIONS**

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Notwithstanding any other provision herein to the contrary, the following provisions shall be applicable and govern in the event of conflict:

**CONTRACT PRICE AND TERM**

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**CONTRACT PRICE**

**Two thousand six hundred dollars (\$ 2,600.00 ) per month, payable Quarterly**

**PRICE ADJUSTMENT**

**Two thousand six hundred dollars (\$ 2,600.00)** of the original Contract Price will be increased or decreased by the percent increase or decrease in the straight time hourly labor cost under the IUEC contract on **01/01/2018** which was

**98.210.** The phrase “straight time hourly labor cost” means the sum of the straight time hourly labor rate plus the hourly cost of fringe benefits paid to elevator examiners in the locality where the equipment is to be maintained.

The Contract Price will be adjusted annually on the commencement date by the percentage increase or decrease in the straight time hourly labor cost under the IUEC contract then in effect. The term “straight time hourly labor cost” means the sum of the straight time hourly labor rate plus the hourly cost of fringe benefits paid to elevator examiners in the locality where the equipment is maintained. In addition, we may adjust the Contract Price as a result of any substantial changes in service expenses, including but not limited to expenses in connection with fuel, waste disposal, environmental requirements, cost of materials, changes to government regulations or other administrative costs.

## **TERM**

The Commencement Date will be 10/01/2018.

The Term of this Contract unless modified under the extended term below, will be for five (5) years beginning on the Commencement Date. The Contract will automatically be renewed on the fifth anniversary for an additional five (5) years unless terminated by either party by giving written notice to the other party at least ninety (90) days, but no more than 120 days prior to the end of the current five (5) year term. Thereafter, the Contract will automatically be renewed on each fifth anniversary for an additional five (5) year term unless terminated by either party by giving written notice to the other party at least ninety (90) days, but no more than 120 days prior to the end of the then current five (5) year term.

In the event that you sell the building or your interest is terminated prior to the expiration of the Contract, you agree to assign the Contract to the new owner or successor and to cause the new owner to assume your obligations under this agreement. If the new owner or successor fails to assume your obligations under the Contract, then you agree to pay to Otis all sums due for the unexpired Term.

## **PAYMENTS**

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Beginning on the Effective Date, payments will be due and payable on or before the first day of the contract year in which services are rendered beginning on the Commencement Date.

### **Electronic Funds Transfer Payments (ACH/EFT)**

#### **Transmission Format**

**Accepting CTX (Corporate Trade Exchange) format only.** This format allows for up to 9,999 invoices per payment and supports detailed remittance data. It allows the combining of multiple invoices on a single payment and will ensure automatic credit to your accounts, as long as the entire Otis invoice number(s) is transmitted in the exact Otis format (examples below).

**Please use the IV (which stands for invoice number) Qualifier when providing the Otis invoice number.**

#### **Minimum Payment Information**

The following information is required with each transmission:

- Payment Amount
- Use the IV Qualifier to provide the ENTIRE INVOICE NUMBER (minimum 10

- characters, maximum 12 characters in exact Otis format).
- Example NKG05678 101 or NKG38062001.
- Payment Date

**Depository Information**

Depository Institution: JP Morgan Chase  
 Depository Address PO Box 31339-33631-3339, Tampa, FL 33631-3339  
 Account Name: Otis Elevator Company  
 Account Number: 55-20622  
 Bank routing Number: 071000013  
 If a wire transfer use this routing number: 021000021

**Remittance Information**

For each transmission, please send remittance notification to Otis Elevator Company via email at [REMITTANCE@OTIS.COM](mailto:REMITTANCE@OTIS.COM) or fax to 860-353-5145.

**ACCEPTANCE**

This proposal, when accepted by you below and approved by our authorized representative, will constitute the entire and exclusive contract between us for the services to be provided and your authorization to perform as outlined herein. All prior or contemporaneous oral or written representations or agreements not incorporated herein will be superseded. Any purchase order issued by you in connection with the services to be provided will be deemed to be issued for your administrative or billing identification purposes only, and the parties hereto intend that the terms and conditions contained herein will exclusively govern the services to be provided. We do not give up rights under any existing contract until this proposal is fully executed. This Contract may not be changed, modified, revised or amended unless in writing signed by you and an authorized representative of Otis. Further, any manual changes to this form will not be effective as to Otis unless initialed in the margin by an authorized representative of Otis.

**THIS QUOTATION** is valid for ninety (90) days from the proposal date.

Submitted by: Nelson Koki  
 Title: Service Account Manager  
 E-mail: Nelson.Koki@otis.com

Accepted in Duplicate

**CUSTOMER**

Approved by Authorized Representative

Date: \_\_\_\_\_  
 Signed: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title \_\_\_\_\_

**Otis Elevator Company**

Approved by Authorized Representative

Date: \_\_\_\_\_  
 Signed: \_\_\_\_\_  
 Print Name: Jason Barnes  
 Title General Manager

E-mail: \_\_\_\_\_

Name of Company \_\_\_\_\_

Principal, Owner or Authorized Representative of Principal or Owner

Agent: \_\_\_\_\_  
(Name of Principal or Owner)

**BILL TO INFORMATION**

Company Name:

Address:

Address 2:

City:

State:

Zip Code:

**ACCOUNTS PAYABLE CONTACT**

Name:

Phone Number:

Fax Number:

E-mail:

**TAX STATUS**

Are you tax exempt?    Yes    No

If yes, please provide tax exempt certificate

Do you require a Purchase Order be listed on your invoices?    Yes    No

If yes, please provide contact info for PO renewal:

Name:

Fax:

Phone:

E-Mail:

Would you like Otis to automatically debit your bank account for your maintenance invoices?    Yes    No

If yes, please provide blank check for bank routing and account information.