## AFFINITY ELEVATOR COMPANY, LLC

## Elevator Maintenance Agreement

Purchaser: Grand Panama Beach Resort Condominium Association, Inc.

11800 Front Beach Rd.

Panama City Beach, FL 32407

Hereinafter referred to as "Owner/Purchaser" and "Customer"

By:

Affinity Elevator Company, LLC.

6230 Green Acres Dr. Pensacola, FL 32526

Hereinafter referred to as "Affinity Elevator" and "Company"

Affinity Elevator is pleased to offer the following Elevator Maintenance Agreement on Customer's equipment located at 11800 and 11807 Front Beach Rd., Panama City Beach, FL:

Equipment Description: Six Electric Elevators (State Numbers 92120, 92121, 92122, 92123, 92124, and 92125)

Scheduled Maintenance- An Affinity Elevator technician will service the equipment described in this Agreement on a regularly scheduled basis, a minimum of once per month. These services will be performed during normal business working days and hours, which are defined as Monday through Friday, 7:30 a.m. to 4:30 p.m. (except scheduled holidays). All work performed before or after normal business hours shall be considered "Overtime."

Preventative Maintenance- Affinity Elevator shall regularly examine, clean, lubricate and adjust the elevator equipment as per the scheduled maintenance section. All pits and car tops will be cleaned a minimum of once every quarter. Elevator hoistways shall be cleaned at least once a year. All indicator lights and signal gongs will be inspected and replaced when needed on each maintenance visit. Machine room equipment and floors shall be painted a minimum of once per year.

Replacement Parts and/or Components- Affinity Elevator will repair or replace elevator parts and components at no additional cost to the Owner/Purchaser. The repair or replacement of elevator parts and components will be based on the sole discretion of Affinity Elevator.

Affinity Elevator will not be required to make any changes in the existing design or function of the elevator. It is understood that Affinity Elevator shall neither be required nor obligated to service, make renewals or repairs upon the equipment by reason of obsolescence, misuse of the equipment, improper installation of equipment, loss of power, theft, vandalism, explosion, fire, water damage, lightning, nuisance calls, acts of God, or any other reason or cause beyond the control of Affinity Elevator, except ordinary wear and tear, from the commencement date of this Agreement. Owner/Purchaser agrees that in the event any component of the elevator becomes obsolete or outmoded, or is no longer manufactured by the original manufacturer, it shall be the Owner/Purchaser's obligation to replace at the Owner/Purchaser's expense.

Safety Tests- Affinity Elevator will perform governor and safety tests on traction elevators or annual relief pressure tests on hydraulic elevators pursuant to local and state codes. Customer shall pay inspector's fee. Should Owner/Purchaser's system require any of these tests on the commencement date of this Agreement, Affinity Elevator assumes no responsibility for the operation of the governor or safeties on traction elevators, or the hydraulic system on hydraulic elevators under the terms of this Agreement until the tests have been made. Affinity Elevator shall not be liable for damage to the building structure resulting from the performance of these tests. Should the respective system fail any of the referenced tests, it shall be the sole responsibility of the Owner/Purchaser, at its cost, to make necessary repairs and to place the equipment in a condition which will be acceptable for coverage under the terms of this Agreement unless the failure is due to Affinity Elevator's negligence.

Call Back Service- Affinity Elevator will provide call back service for maintenance-related issues between 7:30 a.m. and 4:30 p.m. Monday through Friday at no additional charge, except on scheduled holidays. Any call back before or after this time will be subject to Overtime. A "Call Back" is defined as any service call that includes minor adjustments or repairs that can be resolved with a single technician in 2 hours or less. Any callback requiring 2 technicians or that will require more than 2 hours, is considered a repair and will be done during regular working hours (see "Repairs" section below). Customer will verify any condition that necessitates a call back or emergency service call PRIOR to requesting service; failure to verify the need for service may result in billable charges.

**Repairs**- Repairs are defined as items that require two or more technicians to complete. Affinity Elevator will schedule and perform repairs, covered under this Agreement, during normal working hours. All repairs performed outside of these hours are subject to the billing rates as provided herein.

**Phone Monitoring Service-** A dedicated phone line must be provided to the elevator equipment room. The phone line inside the elevator must be monitored twenty-four (24) hours a day, seven (7) days a week. The monitoring of this phone can be provided by the Owner/Purchaser or by Affinity Elevator.

Contract Terms- The contract commencement date is **June 01, 2018**. The initial term of this Agreement shall be for three (3) years and shall automatically renew for successive three (3) year periods, after the initial term, unless either party serves written notice of its intention to cancel. Notice of intent to cancel shall be sent by certified mail, return receipt requested at least thirty (30) days before the end of the initial contract term or thirty (30) days before the end of any subsequent renewals. All renewal contracts shall be governed by the same terms and conditions of this contract.

This contract may be cancelled prior to the expiration term if either party fails to abide by the terms stated in this Agreement. A letter must be sent stating the reason for early cancellation. The receiving party has thirty (30) days to respond and rectify the items or issues stated in the letter. If the problems are not corrected within thirty (30) days of receipt of the letter the contract will cancel on the thirty first (31st) day.

Contract Price- The price of the services as stated in this Agreement shall be \$2,500.00 per calendar month and will be billed quarterly. This amount shall be billed at the beginning of the quarter with terms of net thirty (30). A service charge of 1-1/2% per month shall apply to all overdue accounts related to services described in this Agreement. Services outside scope of contract will be billed at a rate of \$195.00 per mechanic hour for regular time. Billable overtime services will be billed at time and a half. Overtime callbacks for maintenance-related issues are included at no additional charge.

**Price Adjustments-** After the initial one (1) year of service, all prices as stated in this Agreement shall be subject to review and adjusted accordingly. The adjustments will be based on the percent of increase/decrease in the straight time hourly labor cost for elevator technicians. The straight time hourly labor cost shall mean the straight time hourly rate paid plus fringe benefits. We also reserve the right to make adjustments to price based on increase in cost of fuel, waste disposal and material cost. No price increase shall exceed 5% annually.

Work Not Included- The repair or replacement of building items, hoist ways or machine room walls and floors, car enclosures, car finish, floor materials, hoist way entrance frames, doors and sills, hoist ropes or hoist belts, signal face plates, underground feed lines, underground cylinders, wiring or conduits, smoke and heat detectors is not included. Any moving part of the elevator equipment that is not serviceable or any part that is proprietary is excluded; this includes, but is not limited to, certain machines that are not designed to be serviced. Any elevator component that is improperly installed by anyone other than Affinity Elevator, including but not limited to the original equipment manufacturer (OEM), is excluded. Improper installation includes, but is not limited to, components being utilized for the wrong application. Equipment, that is not code compliant or that needs repair at the commencement of this Agreement, is excluded until repaired or brought into code compliance. The removal of water in elevator pits and the replacement of lamps for the car, pit, and machine room illumination is the responsibility of the Customer, except emergency lighting inside of the car. Also, not covered in this Agreement are the main-line and auxiliary disconnect switches, fuses and feeders to the control panels. Telephone and intercom equipment are not covered under this agreement.

Servicing of the Elevator equipment, including, but not limited to, car enclosures, removable panels, handrails, door panels, car gates, plenum chambers, hung ceilings, light diffusers, light tubes, cab lighting, cab fans, mirrors, carpets, hoist way enclosures, hoist way gates, doors, frames and sills is the responsibility of the Customer.

Wiring Diagrams- Customer agrees to provide Affinity Elevator with the appropriate wiring diagrams and any state-required documentation for the units covered under this agreement. Affinity Elevator will maintain the wiring diagrams on site and keep the diagrams current with any changes made to the equipment. The wiring diagrams remain the property of the Customer.

Terms and Conditions- Affinity Elevator assumes no responsibility for any part of the elevator equipment except that upon which work has been done under this Agreement. No work, service, examination or liability on part of Affinity Elevator other than that specifically mentioned herein is included or intended. It is agreed that Affinity Elevator does not assume possession or control of any part of the equipment and that such remains Owner/Purchaser's exclusively. Affinity Elevator will employ no less than one company employee on a monthly basis to fulfill the obligations of this agreement. Owner agrees not to permit others to work on, make adjustments, or repairs to any part of the elevator during the term of this agreement. If others are granted access to make any adjustments or repairs during this contract term, Affinity Elevator reserves the right to cancel this agreement and declare all sums due or to become due under this Agreement for the unexpired term of the Agreement due and payable in full as liquidated damages, and not as a penalty.

Owner/Purchaser agrees to defend, indemnify and hold Affinity Elevator harmless from and against any claims, lawsuits, demands, judgments, damages, costs, and expenses arising out of this Agreement except to the extent caused by or resulting from the sole and direct negligence of Affinity Elevator. Affinity Elevator will not be liable for indirect or special damages including but not limited to loss of profit, loss of rent, loss of business opportunity, fines, penalties, loss of use of equipment or property.

Each term and provision of this agreement shall be valid and enforceable to the fullest extent permitted by law and any invalid, illegal or unenforceable term or provision shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid, illegal or unenforceable term or provision.

Nonpayment of any sum due under this Agreement shall be considered a material breach hereof. In the event of a breach of this Agreement or the failure to pay any sum due or to become due under this Agreement within sixty (60) days from the billing date, all services under this agreement will be suspended until all balances due are paid in full. Affinity Elevator may, at its option, cancel this Agreement and/or declare all sums due or to become due under this Agreement for the unexpired term of the Agreement due and payable in full as liquidated damages, and not as a penalty. In addition, until same are paid, Affinity Elevator shall be discharged and released from any obligations and/or liability under the terms of this Agreement.

Scheduled Holidays include New Year's Eve, New Year's Day, Memorial Day, July Fourth, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Eve and Christmas Day.

**Acceptance-** This proposal is hereby accepted in its entirety and shall constitute the entire Agreement as contemplated by you and us, only after it has been approved and executed by a manager of Affinity Elevator. The contract price is valid for thirty (30) days from delivery to Customer by Affinity Elevator and is subject to a complete equipment inspection by Affinity Elevator.

AFFINITY ELEVATOR, LLC	CUSTOMER
By:Signature	By: Signature
Print or Type Name	Print or Type Name
Print or Type Title	Print or Type Title
Date	