



DATE: 05/25/2018

TO: Grand Panama Beach Resort
11800 Front Beach Rd-Office
Panama City Beach, FL 32407

FROM: Otis Elevator Company
5625 Dixie Dr., Suite 4
Pensacola, FL 32503

EQUIPMENT LOCATION: Grand Panama Beach Resort
11800 & 11807 Front Bch R
Panama City, FL 32407

Terry Coyne
Phone: - (850) 473-1244 Ext 12
Fax:- (850)473-1637

PROPOSAL NUMBER: ALC189

EQUIPMENT DESCRIPTION:

Table with 5 columns: No Of Units, Type Of Units, Manufacturer, Customer Designation, Machine Number. Row 1: 6, GEARLESS, OTIS ELEVATOR COMPANY, TWR 1 W ELV 3, 729622, 729623, etc.

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.

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

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 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

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: 8:00 AM – 4:30 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

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

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

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

Florida Statutes, Section 718.3025 Notice. To the extent not specified elsewhere in this Agreement, the services will be provided at minimum (i) by one Otis field technician and (ii) no less than annually, in accordance with the Otis Maintenance Management System (OMMS).

FLORIDA INSPECTION SERVICE

Under Chapter 399, Florida Statutes, elevator owners are responsible for scheduling annual inspections by a Certified Elevator Inspector and are liable for penalties for failure to conduct required inspections. We will perform inspection service as follows:

Hire and schedule an independent Certified Elevator Inspector to inspect and witness the annual tests and five-year tests (if applicable) of all non-exempt vertical conveyances covered under this contract. Should State of Florida inspection requirements or the cost of the independent Certified Elevator Inspector services change, the price will be adjusted for that reason.

Beginning on the Effective Date, we will invoice you _____ for annual tests and five-year tests (if applicable) witnessing and inspection per elevator

To waive this option and schedule inspections on your own please initial _____.

RE-INSPECTION POLICY

Customer will be responsible to pay any re-inspection fee(s) if violation(s) are found. The customer will be charged and additional \$150.00 per elevator.

CONTRACT PRICE AND TERM

CONTRACT PRICE

Three thousand dollars (\$ 3,000.00) per month, payable Quarterly

PRICE ADJUSTMENT

The Contract Price will be adjusted on the effective date of any labor rate adjustment under Otis 's contract with the International Union of Elevator Constructors (IUEC Contract) to reflect increases or decreases in material and labor costs. The percentage increase of the Contract will not exceed 5.00 %.

A. Material

Three hundred dollars (\$ 300.00) of the original Contract Price will be increased or decreased by the percent increase or decrease shown by the index of "Producer Commodity Prices for Metals and Metal Products" published by the U. S. Department of Labor, Bureau of Statistics for the price adjustment month compared with the index on **03/01/2018** which was **218.700** .

B. Labor

Two thousand seven hundred dollars (\$ 2,700.00) 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 **78.886** . 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.

TERM

The Commencement Date will be 06/01/2018.

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

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

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: Terrance Coyne
Title: Account Manager
E-mail: terrance.coyne@otis.com

Accepted in Duplicate

CUSTOMER

Approved by Authorized Representative

Otis Elevator Company

Approved by Authorized Representative

Date: _____

Date: _____

Signed: _____

Signed: _____

Print Name: - _____

Print Name: Timothy Pyle

Title - _____

Title - _____

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.