

ORIGINAL

Colley Elevator Co.

Date: August 27, 2012

To: Dana Point Condominium Association
Property Specialists, Inc.
1519 East Central Road
Arlington Heights, IL 60005

From: Craig Zomchek
Colley Elevator
226 Williams Street
Bensenville, IL 60106

Equipment location:
1405-1615 E. Central
Arlington Heights, IL

Equipment description:

Number of Units	Manufacturer	Type of Units	Machine I.D.
Twelve (12)	Westinghouse	Hydraulic	Passenger

Full Maintenance service contract summary:

We will provide regular examinations, including call-backs for repair and adjustments on the equipment referred to above. All equipment would be covered as listed with exceptions as listed under exclusions. Call-backs required because of misuse, vandalism, power failures, and so called "acts of God" would be chargeable to the customer. If call-backs are required during overtime periods, the purchaser is charged for the overtime portion of labor only.

Colley Maintenance

Colley is a full service elevator company who strives to protect your capital investment, provide excellent customer service, extend your equipment life and exceed expected levels of performance and reliability. We believe our preventative maintenance service will meet all of the listed goals above.

Colley will maintain the equipment under the following terms and conditions subsequently set forth:

PERFORMANCE

Maintenance

We will examine the units using trained personnel directly employed and supervised by Colley Elevator Co. The regular and systematic examinations will include inspection, lubrication, adjustment, cleaning and if conditions or usage warrant, repair or replacement of the following parts caused by normal wear and tear.

- a. Controller components, selector components(tape, wire or cable), 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 drive equipment, signal lamps, and position indicating equipment.
- b. Door operators, car hanger rollers, car door contacts, load weighing equipment, car frame, car safety mechanisms, car and counter weight guide shoes; including rollers and gibs.
- c. Hoistway interlocks and hanger rollers, bottom door guides, and auxiliary door closing devices.
- d. Machines, worms, gears, thrust bearings, drive sheaves, drive sheave shaft bearings, brake pulleys, brake coils, contract, linings, and component parts.
- e. Motors, motor generators, motor windings, rotating elements, commutators, brushes, brush holders, and bearings
- f. Governors, 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.
- g. Hydraulic Pumps, pump motor, operating valves, valve motors, leveling valves, plunger packings, exposed piping, above ground plungers and cylinders, and hydraulic fluid(5 gallons per year).

In addition we will clean all wire ropes as often as necessary to maintain an appropriate factor of safety; As conditions, usage, or code warrant. We will equalize the tension on the hoisting ropes, resocket ropes for drum machine, and repair or replace conductor cables and hoistway and machine room elevator wiring.

Included in this contract are emergency adjustment call backs during Colley's regular operating hours.

Safety Tests

Colley will perform governor and safety tests on traction elevators or the annual pressure relief test on hydraulic elevators pursuant to local and state codes as apart of this maintenance contract.

Inventory & quality

Parts Inventory

We will during the term of this contract maintain, either in the elevator machine room or as part of our technician's mobile inventory, a supply of frequently used replacement parts and lubricants identified to meet your elevator systems specific needs. Any part(s) replaced under this contract will be new or refurbish parts manufactured under Colley Elevators uncompromising superior standards. Replacement parts stored in the machine room will remain Colley's property until installed into elevator system. We will furnish replacement parts in exchange for the parts replaced. We further agree to maintain a supply of replacement parts if readily available in our warehouse inventory that will be available for express delivery in cases of emergency.

Quality Control

We will perform an annual survey of the elevator(s) to verify conformance to Colley's uncompromising superior standards. We will periodically conduct field audits of our personnel to maintain these quality standards. Colley's technician and engineers will provide technical assistance, technical information, and code consultation to support our maintenance organization.

Operating hours

Normal Hours

All Maintenance procedures will be performed during Colley's regular working hours of 8:00am to 4:30pm; Monday through Friday, except holidays. All lamp and signal replacements will be performed regular monthly examinations.

Overtime

If overtime repairs or emergency adjustment call back services are requested by the customer, the customer will be charged a premium for the overtime call back. There is no extra charge for the straight time portion, the premium is charged exclusively to the overtime portion of the call back.

Conditions of Service

Purchaser's responsibilities

- I. Current wiring diagrams will be provided by the customer and will remain the customer's property.
- II. Instructing or warning passengers in the proper use of the equipment.
- III. Report to Colley Elevator of any condition upon manifestation of any irregularities in operation or appearance of the equipment and keep elevator shut down until the completion of repair.
- IV. Provide suitable machine room including, secured doors, waterproofing, lighting, ventilation, and heat to maintain the room at a reasonable temperature that will not be used for janitorial storage.
- V. Give written notice to Colley Elevator within twenty four (24) hours after any occurrence of accident in or including the elevator.
- VI. Maintain any and all instruction signs or warnings in connection with the use of any of the equipment.
- VII. Agrees to not permit others to make alterations, additions, adjustments, repairs or replace any component part of the equipment during the term of the agreement.
- VIII. Authorizes Colley Elevator to purchase any programmable devices(s) used in the equipment for the sole purpose of archival back-up of the software embodied therein.
- IX. In the event of sale, lease or other transfer of the elevator and/or equipment described herein, or the premises in which they are located, the purchaser agrees that whomever the successor is, is made known about previously agreed upon terms and agrees that the successor will be bound by the terms hereof for the balance of the agreement. Otherwise the purchaser is liable for the full unpaid balance due for the full un-expired term of the Agreement. It is expected Colley receive sixty (60) days notice of any such transfer of ownership.

Exclusions

The contract does not cover car enclosures (including; but not limited to repair and replacement of, wall panels, door panels, car gates, ventilation chambers, hung ceilings, lighting, light diffusers, light tubes and bulbs, handrails, mirrors and floor coverings), rail 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. This contract does not cover computer and micro computer devices[including proprietary boards], such as terminal keyboards and display units that are not exclusively dedicated to the elevator system. This contract does not cover telephones, intercoms, heat sensors, smoke sensors, communication equipment, proprietary equipment safety signaling equipment. Full door scans or electric eyes, batteries and phase monitors or any part or item discontinued or no longer available from the OEM or other sources.

We will not be required to; make any tests other than that as specifically set forth herein, make any replacements with parts of a different design or type, make any changes in the existing design of the elevator systems, to alter, update, modernize or install new attachments to any of the elevator systems, to make repairs or replacement necessitated by failures detected during or due to testing of buried or unexposed

hydraulic cylinders or piping, and to make any replacement, renewals, or repairs necessitated by any obsolete or discontinued parts of the elevator system or by reason of any cause beyond Colley Elevators control (excluding ordinary wear and tear) including but not limited to; fire, explosion, theft, floods, water, weather, earth quake, vandalism, misuse, abuse, mischief, or repairs by others.

Call back and damage caused by voltage fluctuations (beyond the normal allowable limits of plus or minus 5%), power failures, electrical disturbances and lightning. Main power issues; switches, fuses, breakers, feed to the controller, all 110v electrical feeds, emergency lighting, heat & smoke sensors are excluded. Cleaning of the cab interior, exposed sills, debris in the pit area caused by others, water in the pit area caused by seepage or backup of the drains.

Not with standing any other agreement or provisions to the contrary, under no circumstances will we be liable for any indirect or consequential damages of any kind including but limit to, fines or penalties, loss of profits, loss of rents, loss of good will, loss of business opportunity, additional financing costs, or loss of any equipment or property, whether in contract or otherwise.

Contract Price and Term

Contract Price

One hundred and thirty five 50/100 Dollars - **\$135.50** per elevator, per month for a total of **\$1,626.00** a month payable upon invoice.

Price Adjustment

Price adjustment - The contract price will be adjusted every one year period prior to end of current agreement for building ownership & management review.

Term

The service specified herein will be effective on **January 1, 2013** at the contracted price above and will continue thereafter until terminated as provided herein. The maintenance agreement will terminate on December 31st, 2013 and will not automatically renew.

Late Fees

The customer agrees to pay a late charge due to late payments after sixty (60) days from when such sums become due of one and one-half percent(1.5%) per month, or the highest legally permitted rate, whichever is less, on any balance past due. Together with all costs (including, but not limited to, attorneys' and collection fees) incurred by us to collect over due amounts.

Performance clause

If Colley Elevator fails to perform under this, in the opinion of the building ownership, agreement the building owner shall send in writing their concern over performance. Colley Elevator shall have seven (7) business days to correct and/or address the issue, if the issue is not corrected or addressed to the satisfaction of the building ownership an onsite meeting will be held to discuss buildings expectations under this agreement, after the date of the meeting Colley Elevator shall have three (3) business days to correct or address any outstanding issues of performance under the contract, if the corrections are not completed the building ownership shall be able to cancel the agreement by giving Colley Elevator thirty (30) days written notice.

Acceptance

It is understood and agreed that this proposal and your acceptance thereof shall constitute, exclusive and entirely, the agreement for the service herein described; shall be deemed to be merged herein and that no other changes in or additions to this agreement shall be recognized unless made in writing and signed by both parties, and that this agreement is not binding upon Colley Elevator Company until it is approved by one of its executive officers.

Quoted price and terms are valid for ninety (90) days from proposal date.

Submitted By: 

Craig Zomchek

Customer

Approved by the authorized representative

Date: 11/9/12

Signed: Angela Linn

Print name: Angela Linn

Title: President

Name of Company: Dana Point Canoe Assn.

Colley Elevator Company

Approved by the authorized representative

Date: _____

Signed: _____

Print name: _____

Title: _____

ADDENDUM TO CONTRACT

Now comes the Dana Point Condominium Association, (hereinafter, "Association") and Colley Elevator Company (hereinafter "Contractor") and in consideration of the mutual promises and agreement of the parties, the parties hereby agree that the Elevator Full Maintenance Contract dated August 27, 2012, shall be amended by the following terms and conditions. To the extent that there are any inconsistencies between the Addendum and the Contract, the terms of this Addendum shall control.

I. INDEMNIFICATION

The Contractor shall indemnify and hold harmless the Association and its agent from and against all claims, damages, losses and expenses including attorneys' fees arising out of or resulting from the performance or non-performance of the Project, provided that any such claim, damage, loss or expense is (a) attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Project itself) including the loss of the use resulting therefrom and (b) caused in whole, or in part, by any negligent act or omission of the Contractor, any Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by any party indemnified hereunder.

It is also expressly agreed that Contractors shall indemnify and hold the Association and its designated agent harmless from any and all claims of malfeasance or misfeasance by Contractor's employees or subcontractors and their employees, and from any and all claims and demands whatsoever, including, but not limited to, workman's compensation claims, E.E.O.C. claims, unemployment claims, withholding and Social Security claims.

In any and all claims against the Association or its agents, by any employee of the Contractor, by any Subcontractor, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, the indemnification obligation under this paragraph shall not be limited in any way by a limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any Subcontractor under any Workman's Compensation Act, Disability Benefit Acts or other employee benefit acts.

II. INSURANCE

Contractor agrees that it, shall at or before the time work is commenced hereunder, take out and keep in force at all times for the duration of all work agreed to be performed hereunder and for a term of one (1) year after completion thereof, and shall cause any subcontractor to take out and keep in force, policies of insurance by a responsible insurance company or companies, acceptable to the Association, licensed to do business in Illinois, insuring the contractors and subcontractor's employees or their beneficiaries, for such compensation as they are entitled to under the Workmen's Compensation Act and such other policies of insurance as may be required under any other or similar acts or laws of the State of Illinois applying to employees.

Contractor further agrees to take out, and to cause each subcontractor to take out, promptly and keep in force at all times for the duration of the work to be performed hereunder, and naming as additional insured the Association and its agents, a protective policy or policies of insurance from claims under any applicable Workmen's Occupational Diseases Act, and from any other claims for damages to property or for bodily injury, including death, which may arise from the work to be performed hereunder as a result of intentional or unintentional acts, conduct or inaction, whether such operations be by Contractor, its subcontractors, architect or anyone directly or indirectly employed by any of them or Association or Association's agents. Such insurance shall cover all contractual obligations which the Contractor has assumed hereunder and in connection with the work and Workmen's Compensation, Umbrella and Comprehensive or Commercial General Liability Insurance, including automobile, for bodily injury, including death and property damage in the amounts hereinafter set forth, and an all-risk and construction hazards policy, including coverage for fire, other catastrophe, vandalism, and malicious mischief, covering the Project, all work to be performed, the work-site and the common elements, and all operations hereunder, whether such work or operations be performed by Contractor, subcontractors, architects or anyone directly or indirectly employed by any of them or Association or Association's agents. The amounts of the aforesaid insurance shall be as follows:

(A)	State and applicable federal Workmen's Compensation and Occupational Disease	Statutory Limits
(B)	Employer's liability, accident and disease	\$1,000,000.00
(C)	Comprehensive or Commercial General Liability (including premises, operations, protective policy; products and completed operations; broad form property damage). Property Damage Bodily Injury	\$1,000,000.00 \$1,000,000.00
(D)	Business Automobile Liability (including owned, unowned and hired vehicles)	\$1,000,000.00
(E)	All-Risk & Construction Hazards	\$1,000,000.00
(F)	Umbrella Policy (additional coverage of all risks above)	\$1,000,000.00

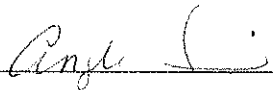
The premium for all the insurance required under this section shall be paid by Contractor at least ten (10) days prior to initiating any work under the Project. The coverage provided above shall be written for not less than the limits of liability specified and the aggregate coverage for

general liability set forth above shall not be combined into a single general aggregate. A project limit endorsement is required for all coverage so that the aggregates provided shall contain all generally applicable conditions, definitions, exclusions, and endorsements and shall name the Association and its agents as protected parties. Contractor shall be responsible for payment of all applicable deductibles and retention for self-insured hazards which shall not exceed the amount of one thousand dollars (\$1,000.00). At least ten (10) days prior to initiating the Project, Contractor shall supply to the Association, in duplicate, complete photocopies of Workmen's Compensation, and other insurance policies required to be procured by it and maintained by it under this Agreement. All such policies shall contain a provision that coverage cannot be reduced or canceled without thirty (30) days' prior written notice to the Association and its agents.

III. At Page 4 of the Agreement, under "Late Fees," the last sentence shall be modified to delete the reference to "attorneys and collection fees."

DANA POINT CONDOMINIUM
ASSOCIATION:

COLLEY ELEVATOR COMPANY:

By: 

By: _____

Dated: 11/16/12

Dated: _____