

ELEVATOR-ESCALATOR MAINTENANCE AND REPAIR SERVICES AGREEMENT

This Elevator-Escalator Maintenance and Repair Services Agreement (“Agreement”) is made by and between Houston First Corporation (“HFC”), a Texas local government corporation whose address is 701 Avenida de las Americas, Ste. 200, Houston, Texas 77010, and [TBD] (“Contractor”), whose address [TBD]. In consideration of the mutual promises contained herein, the parties hereby agree as follows:

ARTICLE 1: DEFINITIONS

As used in this Agreement, the following terms shall have the meanings assigned below:

“**Facility**” means any one or all of the following facilities: George R. Brown Convention Center, Partnership Tower, Avenida Parking Garages, Theater District Parking Garage, Jesse H. Jones Hall for the Performing Arts, Gus S. Wortham Theater Center, Miller Outdoor Theatre, and such other places as HFC may designate in the manner provided hereunder.

“**Failure**” shall mean any circumstance or condition (including loss, destruction or damage) which materially diminishes or impairs any of the intended or designated capabilities of the Unit, or any component thereof, except to the extent the impairment is directly and proximately caused by: (i) the sole fault or negligence of HFC; (ii) an intentional tort of HFC; or (iii) a failure of HFC to comply with the terms of this Agreement. As used in this paragraph, “fault” or “negligence” is defined as the action or omission of a reasonable and prudent person.

“**General Manager**” means the individual designated by HFC to serve as general manager of a Facility and oversee day-to-day operations.

“**Good Working Condition**” means the Units shall operate safely, smoothly and efficiently, within the equipment’s tolerances for speed per minute, floor leveling, and all other specifications of the manufacturer of the equipment, and in compliance with the requirements of any applicable codes, inclusive of any and all testing requirements.

“**Holiday**” means New Year’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving Day, the Friday after Thanksgiving Day, and Christmas Day. Non-paid union holidays are not considered Holidays for the purposes of this Agreement, and HFC shall not pay Contractor for employees who do not work non-paid union holidays (i.e., labor charges for elevator mechanics who work on non-paid union holidays shall be at regular rates).

“**Non-Routine Work**” means Contractor provided parts, labor, supplies and materials necessary to repair or replace any Unit or part thereof, damaged or destroyed after the beginning of the Term, as a result of vandalism, abuse by the public, or an occurrence of Force Majeure.

“**Preventive Maintenance**” shall mean the furnishing of any and all required supplies, part (including temporary or permanent replacement of all or part of the Unit) and labor necessary to prevent the occurrence of a Failure. It shall include, but not be limited to, inspecting, lubricating,

cleaning and adjusting the Unit, and replacing worn, defective, damaged or destroyed parts of the Unit. Preventive Maintenance services shall be performed on each Unit at least once per month.

“**Regular Service Hours**” shall mean the hours of 7:00 a.m. to 11:00 p.m. Monday through Friday, excluding Holidays.

“**Remedial Maintenance**” shall mean the furnishing of any goods and services necessary to correct a Failure that has occurred or appeared. It includes the furnishing of any and all required supplies, parts (including temporary or permanent replacement of all or part of the Unit) and labor necessary to correct a Failure.

“**Routine Work**” means Contractor provided parts, labor, supplies and materials necessary to keep or return the Units to Good Working Condition, replacing any parts which reasonably need replacing, and performing and performing all adjustments, lubrication, tests, or cleaning needed to keep the Units functioning properly and in Good Working Condition, unless such work falls under the definition of “Non-Routine Work.”

“**Unit**” means the existing elevator, escalator and related equipment listed in the attached Exhibit “[**TBD**]” made a part hereof for all purposes, and any new Unit(s) added to the Scope of Services in the manner allowed under this Agreement.

ARTICLE 2: DUTIES OF CONTRACTOR

2.1 Services. Contractor shall provide all labor, supervision, materials, equipment, insurance, tools, machinery, transportation, and other goods and services of any kind or type necessary to provide elevator-escalator Preventative Maintenance and Remedial Maintenance services on each Unit at the Facilities in strict accordance with the terms and conditions of this Agreement, including the Scope of Services attached hereto as Exhibit “A” and made a part hereof for all purposes (“Services”).

2.2 Standard of Care. Contractor represents and warrants to HFC that the Services shall be performed in compliance with applicable federal, state, and local laws, statutes, ordinances, rules, regulations and lawful orders of public authorities, as may be amended from time to time, and in a good and workmanlike order meeting the standards of quality prevailing in Harris County, Texas for services of this kind.

2.3 Equipment/Parts Standard. With respect to any equipment, parts, components, items, or other personal property of any kind or type furnished by Contractor in connection with the Services (each a “Part” and collectively, “Parts”), Contractor warrants to HFC that: (a) all Parts are free of defects in title, design, material, and workmanship, (b) each Part meets or exceeds the manufacturer’s specifications and requirements for the equipment, structure, or other improvement in which the Part is installed, (c) each replacement Part shall be installed in accordance with equipment manufacturer’s specifications, and will not cause any manufacturer’s warranties to lapse or become invalid; (d) each Part is new or, in the event a new Part is no longer commercially available, of a quality at least as good as the quality of the Part which it replaces (when the replaced Part was new); and (e) that no Part or its use infringes any patent, copyright, or proprietary right.

Without limiting the foregoing, Contractor warrants to HFC that it shall maintain a commercially-reasonable inventory of Parts to perform the Services as expeditiously as possible.

2.4 License and Permits. Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates necessary to perform the Services, including all professional licenses required by any statute ordinance, rule, or regulation.

2.5 Supervision. Contractor shall supervise and direct the Services, using Contractor's best skill and attention. Contractor shall be solely responsible for, and have control over, means, methods, techniques, sequences and procedures for coordinating all portions of the Services under the Agreement, except the limited extent that other, specific instructions concerning such matters are set forth in this Agreement or Scope of Services. Contractor shall enforce strict discipline and good order among Contractor's employees and other persons carrying out the Services. Contractor shall perform all Services using trained and skilled persons having substantial experience performing the work required under the Agreement. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

2.6 Acceptable Standards. If any Services performed by Contractor do not meet the standards of this Agreement, as determined by HFC in its reasonable discretion, then Contractor shall correct or modify the Services promptly upon demand from, and at no additional cost to, HFC. If Contractor performs Services knowing same to be contrary to applicable laws, statutes, ordinances, rules and regulations, and/or lawful orders of public authorities, then Contractor shall be liable for such violation and shall bear the costs attributable to their correction.

2.7 Safety. Contractor represents and warrants to HFC that the Services shall be performed in compliance with applicable federal, state and local laws, statutes, ordinances, and lawful orders of public authorities. Without limiting the foregoing, Contractor further represents and warrants that the Services shall be performed in accordance applicable safety rules and regulations, including but not limited to OSHA standards and directives for setting-up and utilizing platforms, lifts, ladders, scaffolding, safety lines and belts, and operating other, similar equipment. Contractor shall ensure that its employees, agents, contractors and subcontractors use personal protective equipment, safety harnesses, fall protection equipment, and other equipment in the manner and to the extent required to perform the Services safely.

2.8 Actions of Personnel. Contractor shall be liable to HFC for the negligent and intentional acts and omissions of Contractor's employees, agents, contractors, subcontractors, and other persons or entities performing portions of the Services for or on behalf of Contractor, including, but not limited to, damage to Facility walls, carpet, doors, ceiling tiles, elevators, escalators, lifts, and other property of any kind or type. Contractor shall, at its sole cost and expense, promptly remedy such damages and restore any property or fixtures thereby affected to the condition existing prior to such damage, to the satisfaction of HFC.

2.9 Correction of Services. If any Services performed by Contractor do not meet the standards of this Agreement, as determined by HFC in its reasonable discretion, then Contractor shall correct or modify the Services promptly upon demand from, and at no additional cost to, HFC. If Contractor performs Services knowing it to be contrary to applicable laws, statutes, ordinances,

rules and regulations, and/or lawful orders of public authorities, then Contractor shall be liable for such violation and shall bear the costs attributable to correction.

2.10 Authorized Representative. Contractor shall designate a representative who shall have express authority to bind Contractor with respect to all matters under this Agreement and provide a direct phone number and email address for such authorized representative.

2.11 Field Inspection. Execution of the Agreement by Contractor is a representation to HFC that Contractor has visited the Facilities, inspected the Units, become familiar with the conditions under which the Services are to be performed, and correlated personal observations with the requirements of the Agreement.

2.12 Title. Title to any parts, components, items, or other personal property of any kind or type furnished by Contractor in connection with the Services shall not vest in HFC unless and until affixed to a Unit. Title to any part, component, item, or other personal property removed from any Unit in connection with the Services shall vest in Contractor, and Contractor shall itemize and such item so removed in an invoice to the General Manager for the appropriate Facility. Unless otherwise directed by HFC, Contractor shall be responsible for the prompt disposal of any and all worn or defective parts.

2.13 Additions and Deletions. HFC, by means of a written directive to Contractor, may add or delete Units, locations or services, including one or more elevator mechanics or apprentices, to or from this Agreement and any items or services provided by Contractor that are reasonably related to the scope of this Agreement. Written notification of the added or deleted Facilities, items or services shall take effect upon Contractor's receipt of such notice or on such other day as specified therein. Charges for deletions shall be excluded from any sums otherwise due under the Agreement as of the date such notice is received by Contractor. Charges for additions shall be provided at actual cost, subject to the provision for approval of Task Orders set forth herein.

2.14 Task Orders. At any time during the Agreement, HFC may issue a written task order to Contractor, in a form approved by HFC's General Counsel, to perform specific projects or equipment upgrades in the manner and to the extent HFC may find necessary to accomplish the general purposes of this Agreement (each a "Task Order" and collectively "Task Orders"). Each Task Order shall include, as applicable, the following information: A description of the project or service; the date of issuance; a lump-sum or a not-to-exceed amount based on hourly rates; any expenses; a 10-20% retainage; any subcontractors; period of performance/project milestones; a description of the services or tasks to be performed; and any deliverables. Contractor agrees to and shall complete each Task Order in accordance with the terms, conditions and restrictions of this Agreement. Contractor acknowledges that if a Task Order describes items that Contractor is otherwise required to provide under this Agreement, then HFC shall not be obligated to pay any additional payment to Contractor. The parties agree that the total amount of all Task Orders issued under this Section may not increase the Management Fee by more than 25%.

ARTICLE 3: TERM AND PAYMENT

3.1 Term. The Term of this Agreement shall begin on January 1, 2019 and end on December 31, 2023 (the “Term”), unless sooner terminated according to the terms of this Agreement. HFC may extend the Term by up to an additional calendar 180 days, on the same terms and conditions, by notifying Contractor in writing of such extension prior to the expiration of the Term.

3.2 Management Fee. Subject to all terms and conditions of this Agreement, HFC agrees to pay Contractor the following management fee for its Services monthly, in arrears, based on the following annual amounts, which Contractor represents to be inclusive of all amounts due and payable by HFC for the Services (including, by way of example and not limitation, administrative fees, overhead, rent, insurance, office supplies, personnel training, licenses, permits, litigation expenses, applicable taxes, vehicles, tools, phones, and uniforms), save and except Labor Rates, Reimbursable Expenses, and payments due pursuant to one or more Change Orders (the “Management Fee”): [TBD].

3.3 Labor Rates. In addition to the Management Fee and Reimbursable Expenses, HFC agrees to and shall pay Contractor the at-cost hourly rate for elevator mechanic journeyman in accordance with the labor rates set forth in Exhibit “[TBD]” (the “Labor Rates”). During the Term, no more than once per calendar year, the Labor Rates may be adjusted due to (a) a written directive to Contractor owing to a change in the applicable Prevailing Wage (if applicable) for elevator mechanic journeyman; or (b) in response to a request from Contractor, upon approval by HFC, due to an increase in union wage rates payable by Contractor, provided that any such increase can be and is verified to the satisfaction of HFC.

3.4 Mileage Reimbursement. For Remedial Maintenance Services required by HFC outside of Regular Service Hours, HFC agrees to pay Contractor \$0.545 per mile (or the then-current optional standard mileage rate issued by the Internal Revenue Service) from the Contractor-dispatched elevator mechanic’s residence to the affected Facility using the shortest, most direct route available. Contractor acknowledges and agrees that HFC shall not be liable for or pay any additional mileage charge or trip charge of any kind or type. For the avoidance of doubt, HFC shall not pay or reimburse Contractor for employee travel not directly and substantially related to the performance of Remedial Maintenance Services outside of Regular Service Hours, such as travel between Facilities during Regular Service Hours or as part of a Contractor employee’s regular commute to or from home.

3.5 Reimbursable Expenses. In addition to the Management Fee and Labor Rates, HFC agrees to reimburse Contractor at cost for Parts affixed to Units in connection with the Services in the manner provided in this Section. To expedite its Services, Contractor shall rely primarily on its commercially-reasonable inventory of Parts as required hereunder. Contractor shall include any Part for which Contractor seeks reimbursement on the appropriate Facility invoice. Contractor shall use its best efforts to seek and obtain the best value for HFC in the procurement of Parts. Notwithstanding the foregoing, if the cost of any specific Part is reasonably expected to exceed \$25,000, or in the event that the total cost of Parts for a Facility in a specific calendar month is reasonably expected to exceed \$50,000, then Contractor shall provide an advance estimate to HFC and observe, comply with, and abide by procurement methods approved by and acceptable to

HFC's General Counsel. The actual costs of Unit permits required by applicable law shall constitute a Reimbursable Expense. For purposes of this Agreement, the term "Reimbursable Expenses" includes amounts reimbursable in accordance with this Section and the aforementioned reimbursement for mileage outside of Regular Service Hours.

3.6 Invoice Requirement. Contractor will be paid on the basis of, and in response to, separate monthly invoices submitted by Contractor to each General Manager, subject to their individual review and approval. Each such invoice shall (i) be Facility-specific; (ii) include a prorated (i.e., 1/12th) portion of the Management Fee, (iii) detail all Preventative Services performed; (iv) detail any Remedial Services performed; (v) detail recommendations as to the present and anticipated need for any other Routine or Non-Routine Work or for other conditions known to the Contractor; (vi) itemize actual labor hours expended and the correct hourly rate payable by HFC; and (vii) itemize any Reimbursable Expenses, along with supporting documentation confirming that such amounts are invoiced at cost and procured in a manner acceptable to HFC.

3.7 Invoice Procedures. Invoices shall be submitted electronically by the fifth calendar day of the month following each month in which services are performed. HFC shall make payment to Contractor within 30 calendar days of the receipt and approval by HFC of such invoices.

3.8 Invoice Disputes. If any item in any invoice submitted by Contractor are disputed by HFC for any reason, including lack of supporting documentation, then HFC shall temporarily delete the disputed item and pay the remaining amount of the invoice; provided, however, that HFC shall promptly notify Contractor of the dispute and request clarification and/or remedial action. After any dispute shall have been settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on an invoice for the disputed item only.

3.9 Taxes. HFC is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to HFC must not contain assessments of any of these taxes. HFC will furnish HFC's exemption certificate and federal tax identification number to Contractor if requested.

ARTICLE 4: INSURANCE AND BOND REQUIREMENTS

4.1 Insurance Requirements. With no intent to limit Contractor's liability under the indemnifications provisions hereof, Contractor shall provide and maintain, and shall require its contractors and subcontractors to maintain, for the full duration of the Term, including any extension thereof, at least the following insurance and available limits of liability: Commercial General Liability, including broad form coverage, contractual liability, bodily injury/death, and property damage in amounts not less than \$1,000,000 each occurrence and \$2,000,000 aggregate; Automobile Liability, with a combined single limit of \$1,000,000 per occurrence; Workers' Compensation with statutory limits (Contractor shall not self-insure for Workers' Compensation); and Employer's Liability, with limits of \$1,000,000 for each accident, disease limits of \$1,000,000 per policy and \$1,000,000 per employee.

4.2 Additional Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must include an additional insured endorsement in favor of HFC and the

City of Houston on the original policy and all renewals or replacements during the term of this Agreement.

4.3 Waiver of Subrogation. Each policy must contain an endorsement approved by HFC waiving any claim or right in the nature of subrogation in favor of HFC and the City of Houston.

4.4 Rating. The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or shall be an eligible non-admitted insurer in the State of Texas and have an A.M. Best's rating of at least A- with a financial size category of Class VI or better, according to the most current edition Best's Key Rating Guide, Property-Casualty United States.

4.5 Premiums and Deductibles. Contractor shall be solely responsible for payment of all insurance premiums hereunder. Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for same against HFC, its officers or employees.

4.6 Primary Insurance. Each policy hereunder, except Workers' Compensation, shall be primary and noncontributory to any other policies of insurance which may be available to HFC with respect to claims arising in connection with this Agreement.

4.7 Performance Bond. Contractor shall provide a statutory performance bond for \$500,000.00 on a form approved by HFC covering faithful performance of the services arising under the Agreement. The bond that is given or tendered to HFC must be executed by a surety company that is authorized and admitted to write surety bonds in the State of Texas and accompanied by power of attorney stating that the attorney in fact executing such the bond has requisite authority to execute such Bond. Contractor shall deliver the required bond to HFC prior to commencing Services hereunder.

ARTICLE 5: LIMITATION OF LIABILITY

5.1 Release. **CONTRACTOR AGREES TO AND SHALL RELEASE HFC, ITS OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AND AGENTS FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CONCURRENT NEGLIGENCE OF HFC AND CONTRACTOR, AND INCLUDING ALL LIABILITY FOR DAMAGES OR OTHER RELIEF ARISING UNDER FEDERAL OR STATE EMPLOYMENT LAWS RELATING TO OR INVOLVING PERSONNEL EMPLOYED OR RETAINED BY CONTRACTOR.**

5.2 Indemnification. **CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HFC, ITS OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AND AGENTS (COLLECTIVELY, "INDEMNITEES") HARMLESS FROM AND AGAINST ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR OTHER**

LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY OR RELATING TO CONTRACTOR AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY, "CONTRACTOR'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL EMPLOYMENT LAWS, INCLUDING WITHOUT LIMITATION, ANY AND ALL CLAIMS AND CAUSES OF ACTION BROUGHT AGAINST INDEMNITEES BY CONTRACTOR'S PERSONNEL AND/OR GOVERNMENT AGENCIES ARISING FROM, RELATING TO, OR INVOLVING SERVICES OF CONTRACTOR'S PERSONNEL UNDER THIS AGREEMENT.

5.5 HFC SHALL NOT BE LIABLE TO CONTRACTOR FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS (DIRECT OR INDIRECT) AND LOST REVENUES HOWSOEVER ARISING, WHETHER OR NOT CHARACTERIZED IN NEGLIGENCE, TORT, CONTRACT, OR OTHER THEORY OF LIABILITY, EVEN IF HFC HAS BEEN ADVISED OF THE POSSIBILITY OF OR COULD HAVE FORESEEN ANY SUCH DAMAGES.

5.6 If HFC or Contractor receives notice of any claim or circumstances, which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 30 calendar days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss.

5.7 This notice does not stop or prevent HFC from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If HFC does not provide this notice within the 30 calendar day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

5.8 Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to HFC. Within 10 calendar days after receiving written notice of the indemnification request, Contractor must advise HFC as to whether or not it will defend the claim. If Contractor does not assume the defense, then HFC may assume and control the defense, and all defense expenses constitute an indemnification loss.

5.9 If Contractor elects to defend the claim, HFC may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of HFC, unless it would result

in injunctive relief or other equitable remedies or otherwise require the Indemnitees to comply with restrictions or limitations that adversely affect the Indemnitees; require the Indemnitees to pay amounts that Contractor does not fund in full; or not result in the Indemnitees' full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

ARTICLE 6: DEFAULT AND TERMINATION

6.1 Default. Contractor shall be deemed to be in default under this Agreement due to the occurrence of any of the following events: (a) Contractor fails to perform or observe any material term, condition or requirement under this Agreement; (b) Contractor, or any employee, agent, contractor, or subcontractor of Contractor, violates applicable law in connection with the performance of the Services; (c) Contractor becomes insolvent; (d) All or substantial part of Contractor's assets are assigned for the benefit of its creditors; (e) A receiver or trustee is appointed for Contractor; or (f) Contractor assigns this Agreement without the prior written consent of HFC.

6.2 Remedies. If default by Contractor occurs, then HFC shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, HFC shall have the right, but not the obligation, to cure or cause to be cured on behalf of Contractor any such default, and Contractor shall pay HFC on demand all costs and expenses incurred by HFC in effecting such cure, in addition to all actual damages, losses, costs or expenses incurred by HFC as a result of such default by Contractor.

6.3 Termination for Convenience. HFC reserves the right to terminate this Agreement for convenience at any time by giving 30 calendar days' written notice to Contractor. HFC's right to terminate this Agreement for convenience is cumulative of all rights and remedies that exist now or in the future. On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all Services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the service performed under this Agreement up to the termination date. HFC shall then pay the fees to Contractor for Services actually performed, but not already paid for. **TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S EXCLUSIVE REMEDIES FOR HFC'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED HEREIN), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM HFC'S TERMINATION FOR CONVENIENCE.**

6.4 Termination by Contractor. Contractor may terminate this Agreement only if HFC defaults and fails to cure the default after receiving written notice thereof. Default by HFC occurs if HFC fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor seeks to terminate the Agreement, then Contractor must deliver a written notice to HFC describing the default and proposed termination date. Such date must be at least 30 days after HFC

receives notice. If HFC cures the default before the proposed termination date, then the proposed termination date is ineffective. If HFC does not cure the default before the proposed termination date, then Contractor may terminate this Agreement upon notice to HFC and may seek any remedy available under applicable law, subject to the provisions and limitations of this Agreement.

6.5 Remedies Cumulative. The rights and remedies of HFC under this Agreement shall be cumulative. HFC shall have and may exercise all other rights and remedies not inconsistent herewith as provided under applicable law, or in equity. No exercise by HFC of one right or remedy shall be deemed an election, and no delay by HFC shall constitute a waiver, election or acquiescence to any default, breach, violation, or on-performance by Contractor.

ARTICLE 7: REQUIRED PROVISIONS

7.1 Diversity Program. Contractor shall make good faith efforts to award subcontracts equal to **five percent (5%)** of the value of this Agreement to certified, diverse suppliers of good and services in accordance with the Diversity Program established by HFC, which is made a part hereof for all purposes. Contractor shall disclose to HFC the manner and extent to which it has made good faith efforts to achieve such goal and submit reports on forms provided by HFC with each invoice, or as directed by HFC.

7.4 Drug Testing. It is the policy of HFC to achieve a drug-free workforce and workplace; Contractor shall comply with this policy and shall subject its employees to drug testing if there is a reasonable suspicion that the employees may be abusing drugs or alcohol while working in a Facility. Prior to their employment by Contractor, all personnel performing Services under this Agreement on a routine basis shall be drug tested at Contractor's expense. Subsequent drug testing, whether at random or for reasonable suspicion, shall also be conducted at Contractor's expense. Any employee or applicant testing positive for drugs or alcohol shall not be permitted to perform Services for HFC under this Agreement. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by Contractor, including its employees, agents and subcontractors, is prohibited at the Facilities.

7.5 Background Checks. Contractor shall conduct national and local background checks on all temporary and permanent employees, including subcontractor employees, at its sole cost, before they are assigned to work at any of the Facilities. Background checks shall include a thorough criminal history check, including registered sex offender status, prior employment history check, inclusive of dismissals and reasons, if any, and level of education. Background checks shall be conducted in accordance with EEOC regulations, as may be amended from time to time. Upon request by HFC, Contractor shall provide evidence that the background checks have been conducted, both at the beginning of the Term and at any other time deemed necessary by HFC throughout the Term. Contractor may be required by HFC at Contractor's expense to conduct additional background checks for special events. Failure to strictly comply with this requirement is ground for immediate termination of the Agreement.

7.6 Environmental Compliance. Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency, the Texas Commission on Environmental Quality, and any other governmental agency with the authority to promulgate environmental

rules and regulations (“Environmental Laws”). Contractor shall promptly reimburse HFC for any fines or penalties levied against HFC because of Contractor’s failure to comply. Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to or from the Facilities except in strict compliance with the Environmental Laws. “Hazardous Materials” means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable Federal, State, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease lubricants or any ignitable or hazardous liquids, materials, or substances in the storm sewer system or sanitary sewer system or elsewhere on HFC property in violation of the Environmental Laws. Contractor shall provide a Safety Data Sheet for each and every Hazardous Material used in performance of the work on HFC property as required under the Environmental Laws.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.1 Force Majeure. Timely performance by both parties is essential to this Agreement. However, neither party will be liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by an occurrence of Force Majeure. For purposes of this Agreement, the term “Force Majeure” shall mean fires, floods, hurricanes, tornadoes, explosions, war, terrorism, and the acts of a superior governmental or military authority. The term Force Majeure does not include strikes, slowdowns or other labor disputes; changes in general economic conditions, such as inflation, interest rates, economic downturn, or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Relief is not applicable unless the affected party uses due diligence to remove the Force Majeure as quickly as possible and provides the notice describing the actual delay or non-performance incurred within 20 calendar days after the Force Majeure ceases. An occurrence of Force Majeure shall not extend the Term. Without limiting the foregoing, HFC further reserves the right, due to an occurrence of Force Majeure or other cause beyond the control of HFC, to suspend performance by Contractor at one or more Facilities for such period of time as HFC may determine in its sole discretion, and Contractor acknowledges and agrees that fees for Services or other payments of any kind or type shall abate for the duration of such period.

8.2 Inspections and Audits. Upon reasonable notice, HFC shall have the right to examine and review all books, records and billing documents held by Contractor, including its agents, which relate to performance or payment under this Agreement. Nothing in this Section shall affect the time for bringing a cause of action or the applicable statute of limitations. Any discrepancies identified in connection with any such audit shall be corrected by the Contractor within 10 calendar days, and Contractor shall provide HFC a written explanation for each discrepancy and corrective action taken within such time.

8.3 Notices. Notices to either party to the Agreement must be in writing and must be delivered by hand, United States registered or certified mail, return receipt (or electronic return receipt) requested, Federal Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

8.4 Independent Contractor. HFC and Contractor agree that they do not intend to form, and this Agreement shall not be construed as creating, a partnership or joint venture under any circumstances. Neither party hereto shall have any authority, in any manner or to any extent, to bind the other party. With respect to each other, the parties shall be independent contractors for all purposes.

8.5 Venue and Laws. Contractor shall strictly comply with all applicable laws, ordinances, codes, and regulations that affect performance by Contractor hereunder. This Agreement shall be construed in accordance with the laws of the State of Texas without regard to conflict of law principles. Any litigation in connection with this Agreement shall be in a court of competent jurisdiction in Harris County, Texas.

8.6 Non-Waiver. Failure of either party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

8.7 Ambiguities. If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

8.8 Survival. The parties shall remain obligated to each other under all clauses of this Agreement that expressly or by their nature extend beyond the expiration of the Term or termination of the Agreement.

8.9 Assignment and Severability. Contractor shall not assign this Agreement in whole or in part without the prior written consent of HFC. If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

8.10 Entire Agreement. This Agreement represents the entire and integrated agreement between HFC and Contractor with regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements either written or oral. In the event of a conflict between the Agreement and the Scope of Work, this Agreement shall control and prevail. This Agreement may not be altered or amended except in a writing executed on behalf of HFC and Contractor.

[signature page to follow in final Agreement]

**EXHIBIT “A”
SCOPE OF SERVICES**

[TBD] (“Contractor”) agrees to and shall provide all labor, supervision, materials, equipment, insurance, tools, machinery, testing, transportation, and other goods and services of any kind or type necessary to provide elevator-escalator maintenance and repair services for HFC at all Facilities in strict accordance with the terms and conditions of the foregoing Agreement and the following Scope of Services:

Article 1. Services in General

1.1 Contractor has the duty and obligation to provide the Services at the Facilities in the manner provided in this Agreement so as to ensure the safe and reliable use of elevators, escalators, and similar equipment at the Facilities by HFC, including its employees, contractors, agents, licensees, invitees, and other users.

1.2 Contractor shall coordinate and schedule its Services with the General Managers. Contractor shall keep HFC advised of any developments relating to the scope of this Agreement, and the Contractor shall at all appropriate times advise and consult with HFC with regard to the Services.

1.3 Contractor warrants that at least one of its elevator mechanics shall be available immediately by phone, email, and text message to respond to Service requests and requests for information from General Managers 24 hours per day, 7 days per week.

1.4 If Contractor observes or becomes aware of any excessive wear, failure, vulnerability, or security breach of any Service-related equipment or system at the Facilities, then Contractor shall immediately notify the appropriate General Manager in writing and take all reasonable precautions under the circumstances.

1.5 Contractor shall take precautions to minimize disruption of events at the Facilities to minimize dust, noise, and fumes, and to prevent power outages or the disturbance of utilities, fire suppression equipment, plumbing systems, and any other equipment or systems connected to the Facilities.

1.6 As a safety precaution, Contractor shall be responsible for the placement and removal of barricades warning signs and hazard signs during the performance of its Services and shall use best industry practices to obstruct access to any Unit throughout the period of time a Unit is out of service due to maintenance or repairs, or otherwise not operation in Good Working Condition for any reason.

1.7 Contractor shall assist as needed to utilize and enforce any and all elevator, escalator and equipment warranties for and on behalf of HFC. Contractor shall not cause or allow any warranty to become void or otherwise invalid due to the Services.

1.8 Contractor shall, at its sole cost and expense, provide its personnel with uniforms featuring Contractor’s name and logo, and smart phones in sufficient quantity to ensure uninterrupted lines of communication with HFC and its General Managers.

1.9 Contractor shall not mix control and instrumentation devices from different manufacturers within a specific control system without the prior written approval of HFC.

1.10 Contractor agrees to provide phase-out services for up to 45 calendar days prior to expiration of this Agreement to a successor contractor at no extra charge to HFC. Phase-out services shall include a detailed review of system operations and maintenance procedures, record keeping, reports, procurement procedures, and other pertinent aspects of the Services in order to effect an orderly and efficient transition.

Article 2. Personnel Requirements

2.1 Contractor shall engage and retain the services of three full-time Card-Certified elevator mechanics and one elevator mechanic apprentice, all of whom shall be dedicated and assigned to service only the Facilities. (The term “Card-Certified” means either an IUEC union card certification or a CET non-union card certification.)

2.2 Contractor shall schedule its elevator-escalator mechanics and apprentice in a reasonable manner so as to ensure that the Regular Service Hours (i.e., 7:00 a.m. to 11:00 p.m. Monday through Friday, excluding Holidays), are sufficiently covered. For example, Contractor may schedule two mechanics to work from 7:00 a.m. to 3:00 p.m. and the third elevator mechanic working from 3:00 p.m. to 11:00 p.m. HFC reserves the right to require prior written approval of any or all such Contractor-personnel schedules due to events or dark days at the Facilities or otherwise in furtherance of the best interests of HFC prior to incurring any Labor Rate charges.

2.3 Within 10 calendar days of the Effective Date, Contractor shall provide evidence of each elevator mechanic’s (and the elevator mechanic apprentice’s) certification to HFC. Thereafter, Contractor shall provide such evidence annually, immediately in the event of any changes, or promptly upon request from HFC.

2.4 Contractor shall designate an elevator mechanic, with at least five years’ experience, as the primary point-of-contact for the Services (the “Lead Mechanic”). Unless otherwise agreed by the parties in a Task Order, Elevator mechanics other than the Lead Mechanic are to have between six months and five years’ experience, and the elevator mechanic apprentice shall have three-to-four years’ experience.

2.5 HFC shall not be liable for labor costs in excess of the years of experience required under the immediately preceding section. (For example, when a four-year apprentice becomes a journeyman, Contractor shall either assume liability for any increased pay or benefits to such individual or retain the services of a new four-year apprentice.)

2.6 Contractor may request to use an one or more additional elevator mechanics or elevator mechanic apprentices (not to exceed more than one apprentice per journeyman) in order to expedite the Services. If approved by HFC, such additional labor and rates may be added to this Agreement in the form of a Task Order.

2.7 Contractor shall maintain a corporate office throughout the Term and is solely responsible for the provision of administrative, accounting, and clerical staff in sufficient number to support the Services generally and the elevator mechanic journeyman specifically.

2.8 HFC reserves the right to require Contractor's employees enter and exit through secure ingress and egress points, and Contractor's employees may be required to have their arrival and departure times recorded by the security at the Facilities.

2.9 All personnel shall have company identification badge with photo, including employee's name. Such identification must be worn on the outer garment at all times when Contractor's employees or subcontractors are performing maintenance functions at the Facilities.

2.10 Throughout the Term, HFC may require Contractor to attend meetings to identify and resolve performance issues at no additional cost to HFC. HFC will notify Contractor either orally or in writing and will designate the time, date, location, Contractor attendees, and the general purpose of the meeting. Contractor's designated attendees must be present at any such performance meeting for its duration. Contractor shall prepare materials covering the topics discussed in a form satisfactory to HFC.

Article 3. Maintenance Services

3.1 Contractor shall regularly and systematically examine the Units and perform Preventative Maintenance Services, on a monthly or bi-weekly basis as needed, and perform all necessary adjustments, repairs, and replacements to Units necessary to keep each Unit in Good Working Condition.

3.2 Contractor shall regularly and systematically perform Remedial Maintenance Services as needed and work diligently to return any affected Unit to Good Working Condition as soon as practicable immediately upon receiving oral or written notice of a Unit failure from HFC, or on Contractor's own initiative in the event of a Failure or equipment malfunction entrapping any user.

3.3 Contractor shall maintain all Units within the performance and technical specifications listed herein. Replacement and/or repair necessary to meet these specifications shall be performed during regular monthly Preventive Maintenance work, during a Unit's annual shutdown, or more often upon request by HFC.

3.4 Contractor shall respond immediately to any Failures or other equipment malfunction that may impact the safety of users or render a Unit incapable of performing in Good Working Condition. Contractor personnel shall work diligently and continuously as necessary until the Failure or malfunctions are corrected.

3.5 Contractor shall notify HFC immediately in the event Contractor observes or becomes aware of any Failure or equipment malfunction, action to be taken and the estimated time frame repairs will require. HFC shall again be notified when repairs are completed and the Unit is returned to operational status.

3.6 Contractor acknowledges that HFC shall require Service outside of Regular Service Hours and agrees to and shall commence on-site Remedial Maintenance upon request from a General Manager no later than **two hours** after notification. For the avoidance of doubt, Contractor acknowledges that Services required during Regular Service Hours shall commence immediately.

3.7 Contractor shall develop, implement and maintain an on-going safety program concerned with equipment, maintenance work, and related procedures, and the cost of Contractor's safety program shall not be billed to HFC. Contractor shall post safety warnings on and near equipment as necessary to ensure safe operations. Equipment shall never be installed, tested or operated in an unsafe condition. Contractor's responsibility for safety, in addition to maintenance work, shall include general safety and system observation from an "as installed" viewpoint. Any unsafe condition shall be immediately brought to HFC's attention.

3.8 Before Contractor performs any Non-Routine Work, Contractor shall give HFC an itemized written statement of such work requirements to the appropriate General Manager. Contractor shall receive oral (immediately confirmed in writing) or written notice from HFC if Contractor is to perform any or all of the Non-Routine Work. Parts, supplies, and materials used by Contractor in its performance of such work shall be chargeable to HFC at Contractor's actual cost. Contractor shall provide evidence of the actual cost to HFC, for review and approval.

Article 4. Routine Maintenance Services and Standards

4.1 Contractor, in the performance of Services, agrees to and shall conform to the requirements of ASME standard A17.1, Safety Code for Elevators and Escalators, in its latest revision, in connection with testing, inspection, maintenance, alteration, and repair of elevator and escalator equipment under this Agreement. Contractor shall maintain all Units according to the original manufacturer's performance specifications or in accordance with the most recent revision of the ASME standard A17.1, whichever is more stringent.

4.2 Maintenance Services for Hydraulic Elevators. Contractor shall provide and perform the following maintenance services for hydraulic elevators at the Facilities:

- (a) Inspect, clean and lubricate the equipment;
- (b) Clean the machine room floor and the spill pan;
- (c) Replace all missing or damaged warning signs;
- (d) Ride each car to check for unusual noises and deficiencies in operation;
- (e) Inspect and clean the car top and pit equipment;
- (f) Check the oil in the tank;
- (g) Inspect the jack plunger;
- (h) Inspect the jack assembly and determine whether too much oil is leaking through;
- (i) Inspect and clean the car photo eye or light screen;
- (j) Inspect the car safety edge and retraction;
- (k) Test the alarm button;

- (l) Check the emergency switch;
- (m) Inspect, clean, and lubricate the door tracks;
- (n) Inspect the car lighting system;
- (o) Inspect the elevator communication system;
- (p) Replace broken or cracked call buttons or button covers;
- (p) Inspect, clean, and lubricate the motor bearings;
- (q) Inspect and clean the controller fuses and holders;
- (r) Inspect and adjust the door speeds, door relating cable tension, and the car steadying plates;
- (s) Check the stiles for cracks;
- (t) Check infrared door opening/closing devices;
- (u) Inspect and lubricate the car fan or blower;
- (v) Inspect, lubricate, and clean the hall button contacts, the guide rails, the limit switches, the traveling cable, and the junction box cable;
- (w) Inspect, adjust as may be required, check, repair, and replace and provide parts for all items identified above; and
- (x) Provide Services as necessary to remedy or resolve the foregoing items.

4.3 All hydraulic elevator pits shall be thoroughly cleaned at least four times per calendar year and listed on monthly reports. Any elevator hydraulic line that is leaking oil must be repaired or replaced. Pistons with visible oil running down shall be repacked and sealed. Contractor shall replace ballasts as needed. Contractor shall repair and replace all buttons, switches, lights, button lights, stop bells, key switches, stop switches or other controls when damaged by wear and tear.

4.4 Standards for Hydraulic Elevators. Contractor shall observe, abide by, and ensure compliance with the following maintenance standards for hydraulic elevators at the Facilities:

- (a) Elevator door closing pressure must not exceed 30 LBF (pound force or torque);
- (b) Elevator car doors and hoistways with 1/8" of play in doors opposite of direction of travel will be adjusted and/or door gibs will be replaced;
- (c) Hoistway door rollers that are cut or torn more than 1/8" must be replaced;
- (d) Belt driven motors and chain drive sets shall be pre-loaded and matched for length in size, rated bearing strength, and a safety factor of ten;
- (e) Top of car operating device speed shall not exceed 150 ft/minute;
- (f) Elevator floor levels will be maintained plus or minus 3/8" of each landing;
- (g) Roller guides that are cut or torn more than 1/8" will be replaced;
- (h) Anti-creep shall maintain elevators within 1" of floor level irrespective of the position of the hoistway door;
- (i) Slide guides with more than 1/8" play in any direction will be replaced;

- (j) The relief valve shall be preset to open at a pressure not greater than 125% of working pressure and shall be sealed with lead seal;
- (k) Flexible hydraulic connections shall have a bursting strength in accordance with ASME specifications (if possible, replace any flexible hydraulic connections with a hard pipe);
- (l) Hoistway and car junction boxes will be securely fastened with covers in place;
- (m) V-Belts that are cut or torn more than 1/8" will be replaced; and
- (n) Inspect, check, repair, and replace and provide parts for all items identified above.

4.5 Maintenance Services for Traction Elevators. Contractor shall provide and perform the following maintenance services for traction elevators at the Facilities:

- (a) Inspect, clean, and lubricate the machine room equipment;
- (b) Clean the car top, pit, and machine room;
- (c) Replace all missing or damaged warning signs;
- (d) Inspect the car leveling units, the alarm bell, the retiring cam and fastenings, the emergency stop switch and the sensitive edge and photo cells;
- (e) Check the generator bearing oil level;
- (f) Inspect and clean the controller's contacts;
- (g) Inspect, clean, lubricate and adjust, as necessary, the car and counterweight rail lubricators;
- (h) Inspect, clean and lubricate the machine worms and gears;
- (i) Inspect, clean and lubricate the sleeve bearings;
- (j) Check the oil governor cups;
- (k) Check the operation of the hoistway hall button operation;
- (l) Check all indicator lights, lanterns, bells, and gongs;
- (m) Repair and replace all buttons, switches, lights, button lights, stop bells, key switches, stop switches or other controls when damaged by wear and tear or vandalism;
- (n) Inspect the car lighting system;
- (o) Replace ballasts as needed;
- (p) Inspect, clean, and lubricate the car door tracks, sheaves and chains;
- (q) Check door contact;
- (r) Inspect the elevator communication system;
- (s) Inspect, clean, and lubricate the car fan or blower;
- (t) Inspect and lubricate the machine drum shielded bearings;
- (u) Drain, flush and refill the generator (sleeve bearing jobs only);
- (v) Inspect and clean the controller fuses, holders and connections;
- (w) Inspect the controller dampening motor;

- (x) Oil each bearing as needed;
- (y) Inspect the controller dampening motor brushes;
- (z) Check the controller voltages;
- (aa) Inspect the traveling cable;
- (bb) Inspect and clean the guide rails;
- (cc) Inspect the hoistway sheaves for cracks;
- (dd) Make slow speed, no load, and safety tests in accordance with the standards set forth in the latest version of ASME standard A17.1;
- (ee) Replace broken or cracked call buttons or button covers;
- (ff) Check the operation of the service disconnect switch (if fused, check for heating); and
- (gg) Provide Services as necessary to remedy or resolve the foregoing items.

4.6 All traction elevator pits shall be thoroughly cleaned at least four times per calendar year and listed on monthly reports. Contractor shall replace ballasts as needed. Contractor shall repair and replace all buttons, switches, lights, button lights, stop bells, key switches, stop switches or other controls when damaged by wear and tear.

4.7 Standards for Traction Elevators. Contractor shall observe, abide by, and ensure compliance with the following maintenance standards for traction elevators at the Facilities:

- (a) Belt driven motors and chain drive sets shall be pre-loaded and matched for length in size, rated bearing strength, and a safety factor of ten.
- (b) Top of car operating device shall not operate at a speed exceeding 150 ft/min.
- (c) Elevator car doors and hoistways with 1/8" of play in doors opposite of direction of travel will be adjusted and/or door gibs will be replaced.
- (d) Elevator machine and generator commutators with mica showing or bars exceeding 1/32", will be turned and undercut.
- (e) Elevator door closing pressure will not exceed 30 LBF (pound force or torque).
- (f) Elevator floor levels will maintained plus or minus 3/8" of each landing.
- (g) Hoistway door rollers that are cut or torn more than 1/8" will be replaced.
- (h) Roller guides that cut or torn more 1/8" will be replaced.
- (i) Hoist ropes 3/8" in diameter reduced to 11/32" shall be replaced.
- (j) Hoist ropes 7/16" in diameter reduced to 13/32" shall be replaced.
- (k) Hoist ropes 1/2" in diameter reduced to 15/32" shall be replaced.
- (l) Hoist ropes 9/16" in diameter reduced to 17/32" shall be replaced.
- (m) Hoist ropes 5/8" in diameter reduced to 37/64" shall be replaced.
- (n) Hoistway and car junction boxes will be securely fastened with covers in place;

- (o) V-Belts that are cut or torn more than 1/8" will be replaced; and
- (p) Inspect, check, repair, and replace and provide parts for all items identified above.

4.8 Maintenance Services for Escalators. Contractor shall provide and perform the following maintenance services for escalators at the Facilities:

- (a) Remove the floor plate at lower end to inspect, clean, and lubricate the step chains;
- (b) Replace entire step chain when signs of excessive wear are apparent;
- (c) Maintain safety side brushes;
- (d) Thoroughly clean all pits and drip pans;
- (e) Inspect and replace all worn parts;
- (f) Inspect, adjust and replace worn drive chain links;
- (g) Inspect and replace damaged safety or warning signs;
- (h) Thoroughly inspect, repair and adjust braking system;
- (i) Inspect, clean, and lubricate the step wheels;
- (j) Inspect, clean, and lubricate the machines, sprockets, worm, gears, motor, brake, brake linings, bearings, chains, main drive broken chain device, non-reversing switch, emergency brake switch, governor switch, handrail tension device;
- (k) Inspect the handrails and splices, checking all handrails for adequate tension;
- (l) Inspect, clean, and lubricate the contacts, connections, holders, brush rigging, commutations and undercutting;
- (m) Check the temperature rise of machine bearings, brake coils, controller coils and contact;
- (n) Inspect the step treads, paying particular attention to breakage, loose screws, and proper lighting;
- (o) Inspect the main drive and pawl magnets;
- (p) Inspect the step risers, balustrading, skirt and curtain guards, paying particular attention to clearances, projections, shear and tripping hazards, balustrade lighting;
- (q) Inspect and clean the handrail brush;
- (r) Check comb plate lighting;
- (s) Check comb plates and floor plates for wear which might pose a tripping or slipping hazard;
- (t) Inspect and clean the comb teeth, paying particular attention to broken or bent comb teeth, and clearances between comb teeth and step treads;
- (u) Inspect, clean, and lubricate all machine room equipment, including but not limited to contacts, connectors, reverse phase relay; also check operating voltage, if any equipment is malfunctioning;
- (v) Ride escalator and check the starting and stopping functions and check for unusual noise;
- (w) Clean machine room, floor, and spill pans;

- (x) Inspect, lubricate, and clean the stop and start switches, including the contacts, wiring, and springs;
- (y) Inspect and clean the controller fuses, holders, and connections;
- (z) Inspect the motor and armature and clean with a blower or a vacuum;
- (aa) Inspect all motor connections;
- (bb) Check the armature and rotor clearances; and
- (cc) Provide Services as necessary to remedy or resolve the foregoing items.

4.9 Standards for Escalators. In the performance of Services, Contractor shall observe, abide by, and ensure compliance with the following maintenance standards for escalators at the Facilities:

- (a) Vertical cleats shall mesh with slots on the adjacent step tread wherever the steps are exposed.
- (b) Clearance on each side of the steps between the step tread and the adjacent skirt panel shall not be more than 3/16" (4.8mm).
- (c) The tread surface of each step shall be slotted in the direction parallel to the travel of the steps.
- (d) Each slot shall not be more than 1/4" (6.3mm) wide and not less than 3/8" (9.5mm) deep and the distance from the center to center of adjoining slots shall not be more than 3/8" (9.5mm).
- (e) Driving machine brakes shall stop down escalators at a rate no greater than 3 ft/sec.² (0.91 m/s²).
- (f) All safety switches will stop Unit from operation when tripped.
- (g) Existing step demarcation lights will be green and working continuously. Contractor will supply replacement parts, fixtures, bulbs, etc.
- (h) Handrails with tears that are 1/2" in length or more, will be replaced.
- (i) Escalator step risers with more than 1/32" oil build-up will be cleaned.
- (j) Comb teeth segments will be replaced if any teeth are broken, and
- (k) Comb teeth shall be meshed and set into slots in the tread surfaces so that the points of the teeth are always below the upper surface of the treads; and
- (l) Inspect, check, repair, and replace and provide parts for all items identified above.

4.10 Maintenance Services for Handicapped Lifts. Contractor shall provide and perform the following maintenance services for handicapped lifts at the Facilities:

- (a) Check and test all safety switches;
- (b) Check all limit switches;
- (c) Check condition of belt and replace as needed;
- (d) Check pulleys and adjust as needed;
- (e) Lubricate screw shaft and bearings;
- (f) Lubricate motor and amp motor;
- (g) Adjust floor ramp to function correctly;

- (h) Clean all areas;
- (i) Test function switches and repair or replace as necessary; and
- (j) Provide Services as necessary to remedy or resolve the foregoing items.

4.11 Maintenance Services for Traveling Cables and Cable Reels. Contractor shall provide and perform the following maintenance services for traveling cables and cable reels at the Facilities:

- (a) Maintain and repair the traveling cables and cable reels located in the orchestra pits at the Wortham Theater Center and the stage lift at the Miller Outdoor Theatre;
- (b) Clean all areas to broom swept condition, removing all trash and debris;
- (c) Remove any pooled or standing water from any low-lying areas; and
- (d) Provide Services as necessary to remedy or resolve the foregoing items.

4.12 Maintenance Services for Mechanical Stage Lift. Contractor shall use a qualified subcontractor to provide manufacturer recommended maintenance and any repairs necessary for the mechanical stage lifts at the Wortham Theater Center. Contractor shall pay for the annual maintenance of the Gala Units as a value-added service at no cost to HFC.

Article 5. Inspections, Testing, and Operating Permits

5.1 After each monthly inspection of a Unit, Contractor shall complete an elevator-escalator inspection report in a form satisfactory to HFC. At a minimum, each such report shall contain the findings of the inspection and recommendations, particularly those dealing with code deficiencies, hazards and safety, and substandard maintenance. A true and correct copy of the inspection report shall be provided to each General Manager. Any condition found affecting the immediate safety of the passengers or elevator/escalator equipment shall be immediately reported to HFC. Within 24 hours, a written report clearly listing the defects found, and the action recommended, shall be submitted to HFC. Contractor must submit a project schedule before it undertakes any modernization and upgrade work. Contractor shall also submit project schedule updates at regular intervals as set forth by HFC.

5.2 Contractor shall respond in writing within 10 calendar days, stipulating the corrective action or actions taken to remedy any deficiency noted during inspections. If deficiencies are caused by Contractor's failure to adequately maintain and repair the Units, as required by this Agreement, then Contractor shall make all necessary repairs and replacements until the Units are brought back to Good Operating Condition, at Contractor's sole expense. If Contractor fails to perform such services in a prompt and responsible manner, HFC may authorize the work to be performed by an outside contractor and Contractor shall pay for the cost of such work, at Contractor's sole expense.

5.3 Contractor shall schedule and ensure completion of all required annual elevator/escalator inspections, five-year load tests for elevators, and operating permits required for compliance with all applicable regulations, codes, and manufacturer's recommendations. Contractor shall furnish all necessary qualified personnel to perform all the following tests in the presence of an independent certified consultant contractor (a licensed elevator/escalator ANSI inspector). Contractor shall provide HFC with adequate documentation for the actual cost of such operating

permits in its regular monthly invoices to HFC, as such costs are incurred. Contractor must furnish to HFC the name, licensing and certification of the selected company or companies for each inspection or test and a copy of the final inspection report.

5.4 HFC may have the Units independently inspected by an outside licensed contractor, as many times as deemed necessary, both during the Agreement Term and for up to six months following Agreement expiration or termination. A written report of the results of the inspection(s) and recommendations will be forwarded to the Contractor.

5.5 In addition to the regular monthly Preventative Maintenance work, Contractor shall perform an annual inspection, clean down, and detailed maintenance service on all Units covered by the Agreement. Contractor shall pay for the required annual elevator/escalator inspections and five-year load inspection tests, to be performed by a certified ANSI inspector.

5.6 Annual Inspection of Escalators. Contractor shall perform annual Escalator Step Skirt Performance Index (“ESSPI”) tests annually on each escalator Unit. Each annual inspection for escalators shall be conducted in accordance with best industry practices, including, by way of example and not limitation, all of the following:

- (a) Remove and clean down all steps and entire Unit.
- (b) Thoroughly clean all pits and drip pans.
- (c) Replace leaking seals and perform oil change on gear box lubricant.
- (d) Inspect and replace all worn parts, including key switches and stop bells.
- (e) Inspect, adjust and replace worn drive chain links.
- (f) Inspect and replace damaged Safety or Warning signs.
- (g) Thoroughly inspect, repair and adjust braking system.
- (h) Provide a written report on each Escalator within 30 days after completion of the service work, detailing any parts or seals that were replaced on the Unit.
- (i) Inspect and repair all safety and warning signs.

5.7 Annual Inspection of Elevators. Each annual inspection for elevators shall be conducted in accordance with best industry practices, including, by way of example and not limitation, all of the following:

- (a) Inspect and repair all buttons, switches, and indicator lights;
- (b) Inspect and repair all doors, door edge guides, gibs and door tracks;
- (c) Clean and inspect all elevator equipment rooms and switch cabinets;
- (d) Inspect and repair all seals and worn bearings in hoistways and equipment rooms;
- (e) Check slack and stretch on wire rope for traction elevators;
- (f) Check and repair all thresholds and elevator entranceways;
- (g) Check all safety switches, doors, alarms, stop bells, and light fixtures;
- (h) Clean elevator pits.

5.8 Five- Year Test (Traction Elevators). Contractor shall perform a test on each traction elevator under full capacity load at rated speeds in accordance with the manufacturer's recommended minimum requirements and in accordance with current and future ASME standard A17.1 specifications, inclusive of applicable supplements. These tests shall be started, completed and scheduled from the time of the last five-year test.

5.9 Other Tests and Inspections. Contractor is responsible for any and all other tests required by City of Houston, State of Texas, or ASME for the equipment identified whether or not specifically identified. Contractor shall identify and ensure all tests required are performed as scheduled and that all Units are within the prescribed testing requirements, both in time and acceptability.

Article 6. Parts Inventory and Storage Area

6.1 Inventory. Contractor shall maintain a commercially-reasonable inventory of elevator, escalator and related equipment parts, supplies and components to perform the Services expeditiously and minimize the period of time during which a Unit is out of service (including, by way of example and not limitation, gears and worm gears; thrust bearings and drive sheaves and drive sheave shaft bearings; brake pulleys, coils and contacts; motor windings; rotating elements; hydraulic fluid; controllers and relays; and other, similar items based on manufacturer's recommendations and Contractor's past experience).

6.2 Storage. Contractor agrees to and shall store such inventory, and all tools necessary to perform the Services, in the Premises or at a secure storage location, controlled by Contractor, located within 25 miles of the George R. Brown Convention Center. Contractor must be prepared in all respects to service multiple Units simultaneously. Contractor shall ensure that such inventory is continually restocked to maintain levels required hereunder.

6.3 Premises. HFC grants to Contractor a license to use and occupy of an approximately 280 square foot storage room in the rear of Exhibit Hall B at the George R. Brown Convention Center (the "Premises"). Such Premises shall be used by Contractor exclusively for the purposes of storage of equipment and tools for the provision of the Services under this Agreement and for no other purpose. HFC makes no warranty or representation to Contractor of any kind, express or implied, regarding the suitability of the Premises, as built, for any aspect of Contractor's use or expected use of the Premises. The Premises are offered by HFC and accepted by Contractor in its current condition, on an "AS IS" basis.

6.4 Surrender of Premises. At the end of the Term or earlier Termination of this Agreement, Contractor shall vacate and surrender the Premises to HFC in the same condition found before the commencement of the Term, excepting minor damage due to ordinary wear and tear. Should Contractor fail to vacate and surrender the Premises in such manner, then HFC may enter the Premises, remove and store all property therein at the sole expense of Contractor and dispose of same if, after the expiration of 30 calendar days, Contractor has failed to remove the property from the possession of HFC.

6.5 Improvements. At Contractor's sole cost and expense, Contractor may construct or install

fixtures or permanent improvements within Premises; provided, however, that all such fixtures and improvements shall have the prior written approval of HFC and shall in all respects conform to and comply with all applicable statutes and ordinances. Title to all fixtures and improvements shall vest in HFC upon the termination or expiration of this Agreement.

6.6 Sharing of Facility. Contractor acknowledges that, in order for George R. Brown Convention Center to be operated as efficiently as practicable, it may be necessary to schedule or share certain services and equipment including, but not limited to, entrances, exits, ramps, loading docks, receiving areas, marshaling areas, freight elevators, and parking areas. Contractor agrees to work cooperatively with other contractors and users of such Facility; in the event of a conflict, HFC shall have final authority to establish the reasonable schedules for the use and availability of such services and equipment and to determine when, and the extent to which, the sharing of any such services and equipment is necessary or desirable.

6.7 Substitute Premises. HFC may elect to relocate Contractor from the Premises to other space within the George R. Brown Convention Center or to another building owned, operated or controlled by HFC, without the consent of Contractor, by giving Contractor at least 30 calendar days' prior notice. Such relocation notice shall specify the effective date of the relocation from the Premises Contractor is then occupying and the space to which Contractor is being relocated, and Contractor shall surrender the Premises Contractor is then occupying in accordance with the provisions of this Section on or before the stated effective date. In accomplishing such relocation, HFC and Contractor shall reasonably cooperate with one another, and consult with one another in good faith, so as to reduce or limit, insofar as reasonably practical, the effects of the necessary disturbance or disruption of the Services.

6.8 Machine Shop. Contractor shall maintain or retain the services of a local maintenance and repair facility adequately staffed by trained maintenance personnel able to promptly perform and provide on-site diagnostic testing and manufacturer-authorized service.

Article 7. Records and Reports

7.1 Annual Project Report and Budget. Based on Contractor's expertise, recommendations from manufacturers, Unit or Part obsolescence, and new or pending regulatory requirements, Contractor shall develop and maintain a list of recommended Unit upgrades, enhancements, and other similar projects. Such report shall be Facility-specific, contain a detailed explanation and justification of any recommendations, and include a proposed budget for each such project. Contractor agrees to and shall provide such report to each General Manager no later than the 15th calendar day of August each calendar year during the Term. HFC may, but shall have no obligation or requirement to, authorize some or all of such projects in the form of a Task Order as provided herein.

7.2 Contractor shall develop and maintain daily log sheets and monthly reports for maintenance of the Units. Logs shall provide a record of all pertinent operating data and maintenance performed, including, but not limited to, date, time service performed, status or results, and the name of the person(s) who performed service or inspection. All events or conditions not readily discernible from the recorded data shall be described in a remarks section.

7.3 Monthly maintenance history reports shall be in a spreadsheet format and include a summary of daily log information, work/time tickets with numbers, parts installed by Unit, an overall summary of maintenance work performed, the results of inspections and tests conducted, list of equipment breakdowns, repair time, schedule of upcoming inspections and tests, and schedule of major equipment shutdowns required for maintenance.

7.4 Contractor shall provide monthly maintenance history reports to General Managers no later than the 10th calendar day of the month following the month in which the work was performed. Each monthly report shall be approved and certified by the Lead Mechanic as true, accurate and complete.

7.5 Each monthly maintenance history report shall include all of the following information:

- (a) Serial number;
- (b) Type of Unit (elevator or escalator equipment);
- (c) Date maintenance performed on Unit;
- (d) Time Contractor is notified of a maintenance problem (not required for scheduled Preventative Maintenance);
- (e) Time maintenance or repairs are started;
- (f) Time maintenance or repairs are completed;
- (g) Labor-hours expended;
- (h) Parts replaced (must be described, e.g., micro-switch, etc.);
- (i) Cause of failure (brief description);
- (j) Year-to-date scheduled Preventive Maintenance hours expended;
- (k) Year-to-date non-routine work hours expended; and
- (l) Description of service.

7.6 Contractor shall record on its work tickets parts and material used and shall include the work tickets in the required monthly maintenance history report. These records and reports, when properly analyzed, shall provide information regarding deteriorating equipment conditions, thus forestalling unscheduled shutdowns and inefficient performance.

7.7 All automated and manual records (including software data) produced and maintained on file become HFC property as soon as they are acquired. Contractor may retain all original employee and accounting files, but shall make such records available to HFC for review, upon HFC's request.

Article 8. Operation and Maintenance Manuals

8.1 Contractor shall obtain and update operation and maintenance manuals, drawings, and wiring control diagrams throughout the Term to reflect manufacturer's updates and changes or additions to Units systems. Contractor shall obtain any other information/data required to perform required maintenance.

8.2 Based on Contractor's experience, it may recommend, in writing, changes in the operation and maintenance manuals to HFC. Upon approval, resulting changes to the manuals are the responsibility of Contractor. Contractor shall update and inventory the system documents including drawings and manuals. All manufacturers' data, wiring control diagrams, manuals and manual information regardless of the condition or status, existing or in preparation, is the property of HFC.

Article 9. Equipment Condition at Agreement Expiration

9.1 Contractor shall turn over all equipment and systems in Good Working Condition, operating in accordance with required conditions, and performing the functions intended within manufacturer's tolerances or required practice for close, safe, predictable, dependable performance. Any Unit not operating in accordance with its required function shall be repaired or replaced. Preventive Maintenance work shall have been performed as required per the Preventive Maintenance schedule. All tests or inspections identified below shall be witnessed by a licensed elevator/escalator inspector approved by HFC and shall be billed to HFC at Contractor's actual cost.

9.2 All safety devices for elevators and escalators shall be tested. Additionally, within 90 calendar days prior to expiration of the Agreement, Contractor shall perform a final load test on each elevator. HFC will take into account recent ASME code required tests already performed and Contractor's or manufacturer's recommendations about the frequency and necessity of load tests. A written report of the results of the test for each elevator must be provided to HFC within five calendar days after the tests have been performed. Contractor shall inspect and test all equipment in accordance with accepted inspection and test procedures and repair or replace any equipment or components in accordance with findings in the inspection and test.

9.3 No later than 30 calendar days prior to expiration of the Agreement, Contractor shall provide a complete final report to HFC on the condition of all equipment, including inspection and test reports, and certified statements signed by an agent of the Contractor testifying to the condition of all equipment and systems.

9.4 HFC shall have the right of inspection during or after any of this work, and shall notify Contractor of any noted discrepancies. Contractor shall then proceed to correct any discrepancies within a timely manner, continuing after the end of the Agreement Term as required to complete the work. Contractor shall notify HFC in writing upon completion of all work. Should Contractor fail to perform or complete any required work prior to expiration of this Agreement, HFC may have such work performed at Contractor's expense.