

**VESTRY ACTIONS WITHOUT MEETING
JULY 2015**

Otey Memorial Parish Church

(1) ACTION TO APPROVE PRIEST'S MOVING EXPENSES

July 15, 2015

Steve Ford notified the Vestry by e-mail that Rob Lamborn has a moving company's bid of \$15,580, which is only good through noon July 16. Steve requested approval of the Vestry to pay that amount to move the Lamborns. The Vestry voted by e-mail to approve the expenditure.

Voting in favor: : Larry Barker; Pam Byerly; Dorothy Gates; Carol Sampson; Laura Willis; Steve Ford; Ken Taylor; Doug Seiters,

Voting Against: None

Abstaining: Alex Bruce;

(2) ACTION TO EXTEND THE ELEVATOR SERVICE CONTRACT

JULY 28, 2015

Steve Ford notified the Vestry by e-mail that the elevator warranty expires July 31, 2015. The warranty may be extended for 5 years; there are two levels of warranty offered. The limited extended warranty covers only the four maintenance visits each year at a cost of \$100 per month. The full warranty includes additional service visits as needed at a cost of \$200 per month. Kone also charges an additional \$25 per month for either plan to monitor the telephone in the elevator.

Motion: Steve Ford moved to take the Kone full extended warranty at cost of \$200 per month, and in addition, \$25 per month telephone monitoring fee. Pam seconded the motion.

Voting in favor: Steve Ford; Pam Byerly; Dorothy Gates; Doug Seiters; Ken Taylor

Voting Against: None

Abstaining: Larry Barker, Carol Sampson; Laura Willis; Alex Bruce

**(3) DEACON'S DISCRETIONARY FUND
AND GIFT FOR BETTY CARPENTER**

July 28, 2015

Steve Ford reminded the Vestry by email that Betty Carpenter is leaving for St. James Chapel on August 9, 2015 and urged Otey members to contribute to her farewell gift. He noted that Otey has a Deacon's discretionary fund of approximately \$800. That money was given for the ministry of the Deacon at Otey. He asked whether the Deacon's fund should travel with Betty to St. James, or remain at Otey for the use of a new Deacon.

He recommended that the Deacon's discretionary fund remain at Otey.

Voting in favor: Steve Ford; Pam Byerly; Carol Sampson; Laura Willis; Dorothy Gates;
Larry Barker

Voting Against: None

Abstaining: Alex Bruce; Ken Taylor; Doug Seiters

Respectfully submitted,
Ann Aitken, Clerk of the Vestry

MINUTES OF THE VESTRY

Otey Memorial Parish Church

July 16, 2015 6:30 PM

Present: Steve Ford, Sr. Warden; Dorothy Gates; Laura Willis; Larry Barker; Alex Bruce; Pam Byerly; Ken Taylor;; Beth Wiley; Treasurer

Absent: Doug Seiters, Jr. Warden; Carol Sampson; Ann Aitken, Clerk

Visitors: None

APPROVAL MEETING MINUTES

Motion: Alex moved to accept the April minutes. Pam seconded the motion. The Motion was unanimously approved.

TREASURER'S REPORT – Beth Wiley (See report Attached)

- 1. Financial Report:*** Beth noted that at midyear, revenues are at 40% of pledges, while expenses are at 50% of budget.
- 2. Search costs:*** Beth reported that the bills for Rob's travel total about \$9,000 to date, with approximately \$2,000 additional expenses. The moving expenses of \$15,800 added to that put the Search expenses at \$26,000. Laura reported on the efforts by Pratt Patterson, Fred Croom and Laura Willis to raise funds to offset the Search expenses.
- 3. Investment Review:*** Beth reported that there is approximately \$69,000 available to cover expenses including the moving expenses if necessary.
- 4. Restricted Accounts:*** Beth is adopting a new format to display the Restricted Accounts, see the monthly financial report.
- 5. Finance Committee:*** Beth proposed to form a Finance Committee.

Motion: Alex moved to allow the Treasurer to appoint a Finance Committee which will include at least one Vestry member. Larry seconded the motion. The Motion was unanimously approved.

SENIOR WARDEN'S REPORT - Steve Ford (No Report)

JR. WARDEN'S REPORT- Doug Seiters (No Report Attached)

COMMITTEES (ATTACHMENTS)

- 1. Search Committee-*** (No report attached)

The Search Committee's news is on the Otey website at <www.oteyparish.org>
Click on the Search link at the top left of the page.

2.. *Christian Formation* : Alex Bruce (See Report Attached) There was extended discussion of the proposed ministries fair on August 16 and the work needed for each ministry to be prepared. First Adult forum is on August 23.

NEW BUSINESS

1. *Rob Lamborn contract*: Beth read the contract, and noted that the contract needs to be included as an attachment to the Minutes.

2. *Motion: Alex moved that the Vestry consider Rob's moving costs by email, when the cost is known.* Pam seconded the motion. The motion passed by unanimous vote.

3. Elevator Warranty Extension: (a copy is attached) Two warranties are offered, both extend for 5 years. Limited warranty is \$100 per month; the full warranty is \$200 per month. Kone will also charge \$25 per month service fee to monitor the telephone service in the elevator.

The Vestry decided to investigate further and vote on this item by e-mail.

4. *Sanctuary Floor*: Pam received an email from a parishioner suggesting that the sanctuary floor needs to be striped, sanded and refinished. Larry recommended that this be referred to the Building Committee and added to the list of repairs. Ken suggested getting a contractor to give advice and assessment.

5. *Transition Committee*: Larry Barker will contact Shelley Cammack and put together a committee and will report back to the Vestry.

CONTINUING BUSINESS

1. *Summer Services and Sunday Night Dinners*: Dinners have been poorly attended, with about 15 people at the first one and 5 at the second.

2. *Motion: Pam moved that the Vestry extend Jess Reeve's contract via e-mail.* Ken seconded the motion. The motion passed by unanimous vote.

OLD BUSINESS

NEXT MEETING TIME IS DEFERRED UNTIL ROB LAMBORN ARRIVES.

Respectfully submitted,
Ann Aitken, Clerk of the Vestry

ACTION ITEMS	LEAD
Transition Committee	Larry
Reconstitute the Finance Committee	Beth
Vestry nametags	Steve
Sanctuary Floor	Building Committee
Search Committee Fundraising	Laura
Operation Pass Along	All

Notes from June 29 Christian Formation meeting:

Key dates:

Aug. 9: kick-off at family service that evening

Aug. 16: Godly Play begins; adult "ministries fair"

Aug. 23: First day for Adult Forum (and first Sunday for new Rector?)

Nursery: all is well

Godly Play: Glad to have Regan at meeting. (Regan, you are welcome yet please don't feel conscripted to this committee!). Regan shared several ideas that she will review with Jeannie (re: number of classes, training, etc.); the two can decide what specific proposals the CFC should consider. As for the training conference at Otey 7/29-7/31: Regan says things are in hand. We talked about hosting duties and have a plan; Alex will arrange for Vestry/clergy to welcome people 7/29.

Youth: plans for mission trip going well.

Lectionary: no add'l info. All seems well.

Adult forum: Brown, Virginia, and Jennifer are making contacts with speakers, arranging a schedule. CFC noted that the new Rector should have a few Sundays available to him.

Special topics:

A. We will continue with ideas for Ministries Fair. Alex will confirm that Vestry supports. Then will work with Frieda on communicating with leaders of various ministries to plan for Aug. 16 event. They need job descriptions for volunteers (time commitment, what training to be provided, length of commitment) and they might bring props to the ministries fair. Will need to develop sign-up sheets, too.

B. For new rector: please support worship committee that can help encourage youth involvement in service!

Otey Memorial Parish
 Vestry Long Form
 Fund: Otey Church General Fund
 January to June 2015

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual	MTD Budget	YTD Actual	YTD Budget	% of Annual Budget Used	Annual Budget
Revenues						
Support From Outside Sources						
4111 - Plate Offerings	\$486.07	\$500.00	\$2,734.66	\$3,000.00	45.58 %	\$6,000.00
4115 - 1/4th Plate to Rector's Discr Fd	\$0.00	(\$125.00)	(\$337.73)	(\$750.00)	0.00 %	(\$1,500.00)
4131 - Pledge Payments	\$18,076.00	\$27,558.33	\$127,998.50	\$165,349.98	38.71 %	\$330,700.00
4151 - Non-Pledge Gifts	\$2,320.00	\$1,666.67	\$12,551.08	\$10,000.02	62.76 %	\$20,000.00
4191 - Other Outside Support Revenues	\$1,500.00	\$1,666.67	\$9,681.56	\$10,000.02	48.41 %	\$20,000.00
Total Support From Outside Sources	\$22,382.07	\$31,266.67	\$152,628.07	\$187,600.02	40.68 %	\$375,200.00
Support From Internal Sources						
4531 - Gains (Losses) on Investments Sold	\$0.00	\$0.00	\$910.79	\$0.00	0.00 %	\$0.00
4551 - Property Rental Income	(\$625.00)	\$625.00	\$1,766.00	\$3,750.00	23.55 %	\$7,500.00
Total Support From Internal Sources	(\$625.00)	\$625.00	\$2,676.79	\$3,750.00	35.69 %	\$7,500.00
Total Revenues	\$21,757.07	\$31,891.67	\$155,304.86	\$191,350.02	40.58 %	\$382,700.00
Expenses						
Work Outside Congregation						
5111 - Diocesan Assessment	\$12,500.02	\$2,083.33	\$12,500.02	\$12,499.98	50.00 %	\$25,000.00
Total Work Outside Congregation	\$12,500.02	\$2,083.33	\$12,500.02	\$12,499.98	50.00 %	\$25,000.00
Work Within Congregation						
Programs						
Christian Education						
5311 - Christian Education	\$0.00	\$145.83	\$821.58	\$874.98	46.95 %	\$1,750.00
Total Christian Education	\$0.00	\$145.83	\$821.58	\$874.98	46.95 %	\$1,750.00
Parish Life						
5331 - Parish Life	\$19.36	\$83.33	\$225.49	\$499.98	22.55 %	\$1,000.00
Total Parish Life	\$19.36	\$83.33	\$225.49	\$499.98	22.55 %	\$1,000.00
Worship						
5351 - Altar Supplies	\$46.50	\$83.33	\$392.54	\$499.98	39.25 %	\$1,000.00
5355 - Music	\$0.00	\$58.33	\$570.00	\$349.98	81.43 %	\$700.00
5357 - Prayer Books and Materials	\$0.00	\$8.33	\$0.00	\$49.98	0.00 %	\$100.00
5359 - Organ and Piano Maintenance	\$0.00	\$83.33	\$0.00	\$499.98	0.00 %	\$1,000.00
5398 - Pastoral Care	\$0.00	\$12.50	\$0.00	\$75.00	0.00 %	\$150.00
Total Worship	\$46.50	\$245.82	\$962.54	\$1,474.92	32.63 %	\$2,950.00
Youth						
5371 - Youth Ministry	\$240.25	\$166.67	\$1,851.06	\$1,000.02	92.55 %	\$2,000.00
Total Youth	\$240.25	\$166.67	\$1,851.06	\$1,000.02	92.55 %	\$2,000.00
Total Programs	\$306.11	\$641.65	\$3,860.67	\$3,849.90	50.14 %	\$7,700.00
Operating Expenses						
Salaries & Wages						
5411 - Clergy	\$4,354.17	\$3,810.00	\$26,125.02	\$22,860.00	57.14 %	\$45,720.00

Otey Memorial Parish
 Vestry Long Form
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 January to June 2015

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual	MTD Budget	YTD Actual	YTD Budget	% of Annual Budget Used	Annual Budget
5415 - Supply Clergy	\$0.00	\$125.00	\$300.00	\$750.00	20.00 %	\$1,500.00
5421 - Youth Minister	\$416.67	\$416.67	\$2,500.02	\$2,500.02	50.00 %	\$5,000.00
5431 - Organ & Choir	\$781.25	\$781.25	\$4,687.50	\$4,687.50	50.00 %	\$9,375.00
5432 - Supply Organ	\$150.00	\$50.00	\$450.00	\$300.00	75.00 %	\$600.00
5451 - Child Care	\$420.00	\$404.17	\$2,488.08	\$2,425.02	51.30 %	\$4,850.00
5461 - Dir. Christian Formation	\$0.00	\$606.67	\$3,347.05	\$3,640.02	45.98 %	\$7,280.00
5471 - CAC Director (Otey)	\$1,916.66	\$1,916.67	\$11,541.63	\$11,500.02	50.18 %	\$23,000.00
5481 - Office Staff	\$2,666.67	\$2,666.67	\$16,000.02	\$16,000.02	50.00 %	\$32,000.00
5486 - Financial Staff	\$916.67	\$916.67	\$5,500.02	\$5,500.02	50.00 %	\$11,000.00
5493 - Otey Notes	\$266.67	\$266.67	\$1,600.02	\$1,600.02	50.00 %	\$3,200.00
Total Salaries & Wages	\$11,888.76	\$11,960.44	\$74,539.36	\$71,762.64	51.93 %	\$143,525.00
Employee Benefits						
5511 - Clergy Pension	\$0.00	\$950.42	\$7,447.80	\$5,702.52	65.30 %	\$11,405.00
5521 - Clergy Insurance	\$516.40	\$923.75	\$4,719.30	\$5,542.50	42.57 %	\$11,085.00
5526 - Clergy Housing & Utility Allow.	\$1,250.00	\$1,093.75	\$7,500.00	\$6,562.50	57.14 %	\$13,125.00
5531 - Clergy - SECA Payments	\$434.32	\$375.00	\$2,605.92	\$2,250.00	57.91 %	\$4,500.00
5551 - Staff Payroll Taxes	\$564.91	\$686.67	\$3,651.92	\$4,120.02	44.32 %	\$8,240.00
5561 - Staff Pension	\$1,309.50	\$306.67	\$2,134.50	\$1,840.02	58.00 %	\$3,680.00
5571 - Staff Insurance	\$754.40	\$632.08	\$3,509.50	\$3,792.48	46.27 %	\$7,585.00
Total Employee Benefits	\$4,829.53	\$4,968.34	\$31,568.94	\$29,810.04	52.95 %	\$59,620.00
Insurance						
5611 - Property & Liability Insurance	\$0.00	\$666.67	\$0.00	\$4,000.02	0.00 %	\$8,000.00
5631 - Workers Compensation	\$0.00	\$101.25	(\$218.00)	\$607.50	0.00 %	\$1,215.00
Total Insurance	\$0.00	\$767.92	(\$218.00)	\$4,607.52	0.00 %	\$9,215.00
Facilities Expenses						
5711 - Repairs & Maintenance	\$374.73	\$166.67	\$658.86	\$1,000.02	32.94 %	\$2,000.00
5731 - Equipment Purchases	\$0.00	\$41.67	\$0.00	\$250.02	0.00 %	\$500.00
5751 - Contracted Services	\$892.00	\$1,166.67	\$6,000.20	\$7,000.02	42.86 %	\$14,000.00
5761 - Furnishings	\$0.00	\$41.67	\$0.00	\$250.02	0.00 %	\$500.00
5771 - Supplies	\$2.30	\$83.33	\$338.90	\$499.98	33.89 %	\$1,000.00
5781 - Electricity	\$867.75	\$783.33	\$6,538.01	\$4,699.98	69.55 %	\$9,400.00
5783 - Gas	\$7.50	\$350.00	\$2,487.45	\$2,100.00	59.23 %	\$4,200.00
5785 - Water & Sewer	\$197.96	\$216.67	\$1,046.33	\$1,300.02	40.24 %	\$2,600.00
5790 - Grounds Maintenance	\$150.00	\$291.67	\$2,217.00	\$1,750.02	63.34 %	\$3,500.00
Total Facilities Expenses	\$2,492.24	\$3,141.68	\$19,286.75	\$18,850.08	51.16 %	\$37,700.00
Office Services						
5811 - Audit	\$0.00	\$500.00	\$0.00	\$3,000.00	0.00 %	\$6,000.00
5821 - Computer Expenses	\$405.43	\$208.33	\$1,430.88	\$1,249.98	57.24 %	\$2,500.00
5831 - Copying expenses	\$216.15	\$208.33	\$1,657.63	\$1,249.98	66.31 %	\$2,500.00
5841 - Office Supplies	\$175.43	\$125.00	\$550.10	\$750.00	36.67 %	\$1,500.00

Otey Memorial Parish
Vestry Long Form
Fund: Otey Church General Fund
January to June 2015

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual	MTD Budget	YTD Actual	YTD Budget	% of Annual Budget Used	Annual Budget
5851 - Office Equipment Purchases	\$0.00	\$41.67	\$150.07	\$250.02	30.01 %	\$500.00
5861 - Postage	\$113.75	\$41.67	\$273.14	\$250.02	54.63 %	\$500.00
5871 - Telephone	\$839.71	\$508.33	\$4,060.11	\$3,049.98	66.56 %	\$6,100.00
5891 - Miscellaneous Expense	(\$291.00)	\$41.67	\$73.00	\$250.02	14.60 %	\$500.00
Total Office Services	<u>\$1,459.47</u>	<u>\$1,675.00</u>	<u>\$8,194.93</u>	<u>\$10,050.00</u>	<u>40.77 %</u>	<u>\$20,100.00</u>
Organizational Expenses						
5911 - Clergy Car Expense	\$325.45	\$83.33	\$896.11	\$499.98	89.61 %	\$1,000.00
5913 - Clergy Expense Allowance	\$0.00	\$41.67	\$0.00	\$250.02	0.00 %	\$500.00
5921 - Continuing Education	\$13.90	\$41.67	\$602.42	\$250.02	120.48 %	\$500.00
5922 - Continuing Education - Other	\$0.00	\$41.67	\$78.00	\$250.02	15.60 %	\$500.00
5931 - Convention & Travel	\$0.00	\$62.50	\$99.00	\$375.00	13.20 %	\$750.00
5941 - Ministering to New Members	\$0.00	\$16.67	\$0.00	\$100.02	0.00 %	\$200.00
5961 - Publications	\$187.29	\$62.50	\$454.67	\$375.00	60.62 %	\$750.00
5971 - Communications	\$0.00	\$16.67	\$0.00	\$100.02	0.00 %	\$200.00
5981 - Stewardship	\$0.00	\$33.33	\$193.00	\$199.98	48.25 %	\$400.00
5999 - Vestry	\$0.00	\$8.33	\$106.00	\$49.98	106.00 %	\$100.00
Total Organizational Expenses	<u>\$526.64</u>	<u>\$408.34</u>	<u>\$2,429.20</u>	<u>\$2,450.04</u>	<u>49.58 %</u>	<u>\$4,900.00</u>
Total Operating Expenses	<u>\$21,196.64</u>	<u>\$22,921.72</u>	<u>\$135,801.18</u>	<u>\$137,530.32</u>	<u>49.37 %</u>	<u>\$275,060.00</u>
Total Work Within Congregation	<u>\$21,502.75</u>	<u>\$23,563.37</u>	<u>\$139,661.85</u>	<u>\$141,380.22</u>	<u>49.39 %</u>	<u>\$282,760.00</u>
Total Expenses	<u>\$34,002.77</u>	<u>\$25,646.70</u>	<u>\$152,161.87</u>	<u>\$153,880.20</u>	<u>49.44 %</u>	<u>\$307,760.00</u>
Net Total	(\$12,245.70)	\$6,244.97	\$3,142.99	\$37,469.82	4.19 %	\$74,940.00
Other Expenses						
7711 - Debt Service Provision	\$54,794.81	\$4,745.00	\$73,777.03	\$28,470.00	129.57 %	\$56,940.00
Special expenses						
7400 - Search/Transition	\$1,718.06	\$1,500.00	\$2,287.80	\$9,000.00	12.71 %	\$18,000.00
Total Special expenses	<u>\$1,718.06</u>	<u>\$1,500.00</u>	<u>\$2,287.80</u>	<u>\$9,000.00</u>	<u>12.71 %</u>	<u>\$18,000.00</u>
Total Other Expenses	<u>\$56,512.87</u>	<u>\$6,245.00</u>	<u>\$76,064.83</u>	<u>\$37,470.00</u>	<u>101.50 %</u>	<u>\$74,940.00</u>
Net Operating Total	(\$68,758.57)	(\$0.03)	(\$72,921.84)	(\$0.18)	0.00 %	\$0.00

Otey Memorial Parish
Investments Restricted Accounts
July 14, 2015

	<u>Amounts</u> 6/15/2015	<u>Amounts</u> 7/14/2015
Regions Operations Checking Account:	\$ 91,713	88,672
		-\$23,000
		<u>\$ 65,672</u>

(\$23,000 = Estimated balance left from construction payments after \$50K principal payment)

Investments:

	Vanguard	\$182,005	182,196
	Regions Money Market	\$13,424	13,425
	Total	<u>\$195,429</u>	<u>\$195,621</u>
	Minus Reserve	<u>\$100,000</u>	<u>\$100,000</u>
		\$95,429	\$95,621

Restricted Accounts/Committed: (balance)

Buildings Repair (8751)	\$0	\$0
Memorials (8951)	\$6,580	\$6,580
CAC (8111)	\$9,526	\$9,349
Sacristy (8351)	\$0	\$0
ECW (8987)	\$420	\$420
EYC Fundraiser (8155)	\$3,027	\$3,072
Flowers (8911)	\$2,943	\$3,063
Shrove Tuesday (8920)	\$979	\$979
Misc Restricted (8991)	\$3,119	\$3,211
	<u>\$26,594</u>	<u>\$26,674</u>

Investments Available for Parish Use:

	\$95,621
Restricted Purposes	\$26,674
Other	<u>\$68,947</u>



Purchaser ("Purchaser"):
 OTEY MEMORIAL PARISH
 CHURCH
 216 UNIVERSITY AVE
 SEWANEE, Tennessee 37375

Service Location ("Premises"):
 OTEY MEMORIAL PARISH - OTEY
 MEMORIAL PARISH CHURCH
 216 UNIVERSITY AVE
 SEWANEE, Tennessee

KONE Inc. ("KONE")
 Nashville
 1410 Donelson Pike, Suite A-20
 Nashville, TN 37217

**KONE Care™ Plus Extended Warranty for Vertical Transportation
 ("Agreement")**

OTEY MEMORIAL PARISH CHURCH

.....
 (Signature of Authorized Representative)

.....
 (Print Name)

.....
 Title

.....
 Date

Respectfully submitted,

Kreigh Bourff
 KONE Inc.

.....
 (Approved by) Authorized Representative

.....
 Title

.....
 Date

EQUIPMENT DESCRIPTION ("Equipment")

Manufacturer	MRL	
	Passenger	Freight
KONE	1	

TENDER DATE: 05/26/2015

EFFECTIVE DATE: 07/31/2015

PRICE

\$200.00 per month payable by Purchaser annually in advance (\$2,400.00 per annual installment). If Purchaser does not sign this Agreement within 90 days after the tender date stated above, KONE reserves the right to submit a revised price.

The price is based upon annual in advance payment. In the event Purchaser chooses one of the following payment options by initialing the selection below, a surcharge will apply as

outlined:

Payment Option	Surcharge	Revised Monthly Price	Acceptance
Semi-Annual in advance payment	2% Increase	\$ 204.00 per month	
Quarterly in advance payment	3% Increase	\$ 206.00 per month	
Monthly in advance payment	4% increase	\$ 208.00 per month	



SCOPE OF SERVICES

KONE will perform maintenance visits to examine, maintain, adjust, and lubricate the components listed below. In addition, unless specifically excluded below, KONE will repair or replace the components listed below if the repair or replacement is, in KONE's sole judgment, necessitated by normal wear and tear. Unless specifically included elsewhere in this Agreement or unless Purchaser has separately contracted with KONE for the work, all other work related to the equipment is Purchaser's responsibility.

TRACTION ELEVATORS

RELAY LOGIC CONTROL SYSTEM

All control system components.

MICROPROCESSOR CONTROL SYSTEM

All control system components. System performance examinations will be conducted to ensure that dispatching and motion control systems are operating properly.

GEARED/GEARLESS MACHINES

All geared and gearless machine components.

WIRING

All elevator control wiring and all power wiring from the elevator equipment input terminals to the motor.

CAR EQUIPMENT

All elevator control system components on the car.

HOISTWAY AND PIT EQUIPMENT

All elevator control equipment, car and counterweight buffers, overspeed governors, governor tension sheave assemblies, and car and counterweight safeties.

RAILS AND GUIDES

Guide rails, guide shoe gibs, and rollers.

ROPES

Hoist ropes, governor ropes, and compensation ropes.

DOOR EQUIPMENT

Automatic door operators, hoistway and car door hangers, hoistway and car door contacts, door protective devices, hoistway door interlocks, door gibs, and auxiliary door closing devices.

MANUAL FREIGHT DOOR EQUIPMENT

Switches, retiring cams, interlocks, guide shoes, sheaves, rollers, chains, sprockets, tensioning devices, and counter-balancing equipment.

POWER FREIGHT DOOR EQUIPMENT

Controller, relays, contactors, rectifiers, timers, resistors, solid state components, door motors, retiring cams, interlocks,

switches, guide shoes, sheaves, rollers, chains, sprockets, and tensioning devices.

SIGNALS AND ACCESSORIES

Car operating panels, hall push button stations, hall lanterns, emergency lighting, car and hall position indicators, car operating panels, fireman's service equipment and all other signals, and accessory facilities furnished and installed as an integral part of the elevator equipment. Re-lamping of signal fixtures is included only during KONE's maintenance visits. Service requests for re-lamping of signal fixtures will be billed separately at KONE's then current labor rates.

HOURS OF SERVICE

All services described above will be performed during the regular working hours of the regular working days of the elevator or escalator trade in the location where the services are performed, unless otherwise specified in the Agreement.

SERVICE REQUESTS (CALLBACKS)

In addition to the work described in the Scope of Services section, this Agreement covers requests for service during the regular working hours of the regular working days of the elevator trade. Service requests are defined as services that require immediate attention and that are within the scope of services and not excluded from the scope of services as provided below. Service requests outside the scope of services will be billed separately at KONE's then current labor rates and material prices plus mileage and incidentals. Any rates and lump sum amounts are not subject to audit. Service requests that require more than one technician or more than two hours to complete will be treated as a repair and scheduled in accordance with the Hours of Service section above. Purchaser agrees that KONE may perform service requests made by any person that KONE believes is authorized by Purchaser to make such requests.

If Purchaser requests service on overtime, Purchaser will be charged only for the difference between KONE's hourly billing rate and KONE's hourly overtime billing rate for each overtime hour.

TESTS

KONE will perform the following tests on the Equipment. KONE is not liable for any property damage or personal injury, including death, resulting from any test.

TRACTION ELEVATOR

A five (5) year full load test as required by applicable code.



REPORTING SERVICES

KONE may provide Purchaser with access to KONE’s online reporting tool. Based on the Purchaser’s user access, Purchaser can view information about the performance and service of the Equipment. KONE may provide Purchaser with automatic email notifications that provide information on work performed.

EXCLUSIONS

The following are excluded from the scope of services.

GENERAL

KONE is not obligated to: perform safety tests other than those specified herein; perform any work required by new or retroactive code changes; perform tests required or correct outstanding violations or deficiencies identified prior to the effective date; removal of water or excessive debris from the pit; make replacements or repairs necessitated by fluctuations in the building power systems, adverse machine room or environmental conditions (including without limitation temperature variations below 50 degrees or above 90 degrees Fahrenheit) or humidity greater than 95% relative humidity, prior water exposure, rust, fire, explosion, acts of God, misuse, vandalism, theft, acts or mandates of government, labor disputes, strikes, lockouts, or tampering with the equipment by any person other than a KONE representative, negligence or acts or omissions of the Purchaser or any third party, or any other cause beyond KONE’s direct control.

KONE agrees to maintain the existing performance as designed and installed. KONE is not required under this Agreement to make changes in operation and/or control, subsequent to the date of this Agreement.

OBSOLESCENCE

A component may become obsolete during the term of this Agreement. Obsolete components are not covered under this Agreement. KONE will provide Purchaser with a separate quotation for the price to replace obsolete components. Equipment modifications necessary to accommodate replacement of obsolete components will also be at the Purchaser’s expense.

Components include without limitation any part, component, assembly, product, or firmware or software module. A component is obsolete when it can no longer be economically produced due to the cessation of consistent sources for materials, a loss or termination of a manufacturing process occurs, product reliability analysis shows that it is not economically feasible to continue to produce the component, escalation of component costs beyond acceptable industry expectations drive alternative equipment upgrades, the support of product safety programs or conformance to codes or standards mandates that use of a component be discontinued in its entirety, or the OEM designates the component as obsolete. No exception to the above will be made for a component

designated as obsolete because it can be custom made or acquired at any price. KONE will not be required to furnish reconditioned or used components. The component that replaces the obsolete components is covered under this Agreement.

ELEVATOR

Refinishing, repairing, replacing, or cleaning of the: car enclosure; gates or door panels; door pull straps; hoistway enclosure; rail alignment; hoistway doors; door frames; sills; hoistway gates; flooring; power feeders, switches, and their wiring and fusing; car light diffusers; ceiling assemblies and attachments; smoke or heat sensors; fans; fireman’s phone devices; intercoms; telephones or communication devices; phone lines; music systems; media displays; card-readers or other security systems; computer monitoring systems; light tubes and bulbs; pit pumps; emergency power generators; hydraulic cylinder; unexposed piping; or disposal or clean-up of waste oil or contamination caused by leaks in the hydraulic cylinder or unexposed piping. KONE is not be obligated to perform or keep records of firefighter’s service testing, unless specifically included in this Agreement.

REMOTE MONITORING

If the Equipment is equipped with remote monitoring capabilities, Purchaser gives KONE the right to utilize this functionality and the phone line to the Equipment to collect data related to the use and operation of the Equipment.

SAFETY

Purchaser will provide a safe workplace for KONE personnel and safe access to the equipment, property and machine room areas and keep all machine rooms and pit areas free from water, stored materials and debris; remove and dispose of any hazardous materials, water or waste according to applicable laws and regulations; post any and all instructions and warnings related to the use of the equipment. Purchaser will be solely responsible for proper use, for supervising the use of the equipment, and for taking such steps including but not limited to providing attendant personnel, warning signs and other controls necessary to ensure the safety of the user or safe operation of the equipment.

Notwithstanding anything to the contrary contained in this Agreement, if in KONE’s sole judgment the equipment presents a safety hazard to the riding public or KONE’s technicians (including but not limited to Purchaser’s act of creating or allowing unsafe practices or conditions or Purchaser’s failure to authorize necessary repairs or upgrades), KONE may immediately terminate this Agreement in its entirety upon written notice. To the extent that KONE provides Purchaser with any oral or written account, report, information, or other statement identifying a safety issue with the equipment that is the subject of



the Agreement or otherwise makes any recommendation or proposal to make a safety improvement or to address a safety issue related to such equipment, and Purchaser does not immediately approve KONE's proposal or recommendation, Purchaser agrees to indemnify, defend, and hold KONE harmless for any claims arising out of Purchaser's failure to comply with KONE's recommendations and proposals, and any obligation on the part of KONE to indemnify or defend Purchaser with regard to such claim shall be null and void.

NOTICE OF MALFUNCTION OR INJURY

As to any elevator or escalator equipment that is the subject of the Agreement, Purchaser will: (i) immediately shut down any such equipment that presents a potential safety hazard; and (ii) provide prompt verbal notice to KONE's Service Center of such hazard. Purchaser will immediately notify KONE's Service Center of any injury or accident in or about such equipment, followed by prompt written notice of such injury or accident. Any indemnity of Purchaser provided by KONE under the Agreement becomes null and void and will not be considered in interpreting the Agreement if Purchaser does not take the action or provide the notice required by this provision.

THIRD PARTY SERVICES

All services within the scope of this Agreement must be performed by KONE or its subcontractors, if any. If Purchaser causes or permits a third party to perform the same or substantially the same services required by this Agreement, Purchaser waives all claims against KONE arising from or related to a third party's performance of such services.

If Purchaser determines that it requires any services outside the scope of this Agreement, Purchaser will provide KONE with an opportunity to provide a quotation for such services or to meet any offer from a third party. If KONE agrees to meet a third party offer, Purchaser will enter into a separate contract with KONE for such services. If Purchaser elects to have a third party perform the services, KONE reserves the right to adjust the price of this Agreement.

If a third party works on the equipment during the term of this Agreement, KONE reserves the right to inspect the equipment and may determine that re-work, different or additional work is required. Purchaser will re-imburse KONE for the cost the inspection and any additional work required. If Purchaser declines to have KONE perform the additional work, KONE reserves the right to cancel the Agreement upon written notice to Purchaser.

NON-KONE EQUIPMENT

If the equipment covered under this Agreement was not manufactured by KONE (or a company acquired by KONE), Purchaser will: (i) provide KONE with a complete set of as-built wiring diagrams and (ii) Purchaser will procure and pay for

replacement parts or proprietary diagnostic devices from the OEM, if requested by KONE. KONE will reimburse Purchaser for the actual cost paid by Purchaser for OEM parts acquired at KONE's request. KONE is not responsible for any delays, damages, cost, or claims arising from or in connection with Purchaser's failure to provide OEM parts or proprietary diagnostic devices in a timely manner. Purchaser authorizes KONE to produce single copies of the EPROM and/or ROM chips for each unit for the sole purpose of an archive backup of the embedded software to allow for replacement of a defective or damaged chip. These will be stored on the building premises and the Purchaser retains possession.

TERM AND TERMINATION

This Agreement will commence on the effective date and continue for an initial period of FIVE (5) years. This Agreement will thereafter automatically renew for successive terms of FIVE (5) years. Either party may terminate this Agreement at the end of the initial FIVE (5) year term or at the end of any subsequent FIVE (5) year term by giving the other party no less than ninety (90) days nor more than one hundred twenty (120) days written notice, via certified mail, prior to the expiration date of the then current term of the Agreement.

If a party materially breaches the Agreement, the other party may provide written notice of the breach and a reasonable time under the circumstances to cure the breach, but in no event less than a thirty (30) days cure period. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate the Agreement upon fifteen (15) days written notice to the other party. If KONE notifies Purchaser of a material breach pursuant to this paragraph, KONE may temporarily suspend services under this Agreement during the specified cure period.

CANCELLATION

If Purchaser cancels or otherwise terminates the Agreement in any way inconsistent with the termination provisions of the Agreement, such cancellation will constitute a material breach of the Agreement. In such case, Purchaser will pay as a cancellation fee an amount equal to fifty percent (50%) of the balance of the total price owed for the remaining term of the Agreement. Notwithstanding anything to the contrary in the Agreement, the cancellation fee will be paid by Purchaser immediately upon receipt of KONE's invoice. Purchaser will reimburse KONE for all costs of collection, including without limitation court costs and reasonable attorneys' fees.

ASSIGNMENT

Either party may assign the Agreement to a third party upon thirty (30) days prior written notice to the other party subject to the terms of this provision. If Purchaser transfers ownership of the premises on which such equipment is located to a third party, Purchaser will promptly provide KONE with new owner's contact



information and take all such actions as are necessary to assign the Agreement to the third party. Purchaser will promptly provide KONE with a copy of such assignment.

PRICE ADJUSTMENTS

If the term of the Agreement exceeds one (1) year, KONE may automatically adjust the price annually effective on the first maintenance invoice in each new calendar year. This adjustment will be equal to the percentage increase or decrease in KONE's straight time hourly labor cost. KONE's straight time hourly labor cost equals the sum of the straight time hourly rate plus the cost of fringe benefits and applicable taxes, including without limitation welfare, pension, vacation, paid holidays, insurance and other union contributions, paid to personnel where the Equipment is located. KONE reserves the right to add annual surcharges to the price of the Agreement, including without limitation, adjustments for the then current price of fuel and charges for disposal or other environmental requirements, such surcharges to be specified by KONE in its sole discretion and invoiced by KONE and paid annually by Purchaser.

PAYMENT TERMS

Payment is due net thirty (30) days from the date of the invoice. A charge of the greater of: (i) one and one half percent (1½%); or (ii) the maximum rate permitted by applicable law, will be applied to the unpaid balance. Purchaser will reimburse KONE for all costs of collection, including without limitation court costs and reasonable attorneys' fees.

SUSPENSION OF SERVICE

If Purchaser fails to pay any invoice within the specified payment terms or if Purchaser breaches any material provision of the Agreement, KONE may stop work or suspend its services under any and all contracts with the Purchaser until all invoices are current or Purchaser cures the breach.

Any requests for service during the period of suspension of service or repairs necessitated by the lack of maintenance service will be invoiced by KONE and paid separately by Purchaser.

If Purchaser fails to make timely payment, any indemnity provided by KONE under the Agreement is null and void as to any damages that arise during the period of non-payment.

Purchaser waives all claims against KONE arising from or related to suspension of service pursuant to this provision.

TAXES

Purchaser is responsible for the payment of all federal, state, or local taxes applicable to the services or materials provided under the Agreement.

INDEMNIFICATION

To the extent permitted by law, Purchaser will indemnify, defend, and hold KONE harmless from and against any and all claims, demands, actions, suits, proceedings, judgments, damages, loss, liabilities, costs, or expenses, including without limitation court costs and reasonable attorney's fees, whether arising from or related to Purchaser's, KONE's, or any third party's negligence, willful misconduct, or acts or omissions in performance of the Agreement.

LIMITATION OF LIABILITY

Notwithstanding anything to the contrary in this Agreement, KONE's total liability to Purchaser under the Agreement is limited to the total amount paid by Purchaser to KONE during the calendar year in which the liability occurred.

In no event will either party be liable to the other party for indirect, incidental, consequential, special, exemplary, or punitive damages of any kind or nature arising from or related to performance of the Agreement, including without limitation loss of profits, loss or inaccuracy of data, or loss of use damages, even if the party has been advised of the possibility of such damages and even if under applicable law such damages would not be considered for indirect, incidental, punitive, special, or consequential damages. Each party hereby waives its rights to such damages to the fullest extent permitted by applicable law. If there is any litigation between the parties with respect to this Agreement or the subject matter hereof, the prevailing party in such litigation shall be entitled to collect all of its costs and expenses in such litigation, including reasonable attorney's fees and court costs, from the other party.

Purchaser will name KONE as an additional insured on its insurance policy.

Any waiver of claims, damages, or other rights, whether such rights arise under the Agreement or by law or in equity, purported to be made by KONE in the Agreement is null and void and will not be considered in interpreting the Agreement.

U.S. GOVERNMENT SALES

If the product(s) or service(s) provided under this Agreement are for end use by a federal, state or local government customer, KONE makes no representations, certifications or warranties whatsoever with respect to the ability of its product(s), service(s) or price(s) to satisfy any applicable federal, state or local statutes or regulations, including without limitation the Federal Acquisition Regulation ("FAR").

FORCE MAJEURE

A party is not liable for failure to perform its obligations under the Agreement if such failure is beyond its control and without its fault and results from Acts of God (including without limitation



fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), civil war, civil strife, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, or lockout, epidemic or pandemic, or interruption or failure of electricity or telephone service. The non-performing party must promptly notify the other party in writing of the force majeure event and resume performance immediately upon cessation of the event.

VENUE

The exclusive venue for any dispute between the parties shall be in the County of Rock Island, State of Illinois.

PROPERTY RIGHTS

KONE will provide Purchaser with any of its information or materials that it provides generally to all its customers in the ordinary course of its business. Any tools, devices, or other equipment that KONE uses to perform its services or monitor the Equipment remains its sole property. If KONE's contract terminates or expires for any reason, Purchaser will give KONE access to the premises to remove such equipment at KONE's expense.

KONE retains all rights, title, and interest, including all intellectual property rights, in and to the written materials it provides to Purchaser or uses to perform its services, including without limitation shop drawings, technical documentation, and user manuals, and to any software provided with the equipment. Purchaser will not use such software except in connection with the use and operation of the equipment. Purchaser will not reverse engineer or otherwise attempt to obtain the source code of any software in object code form.

MISCELLANEOUS

The Agreement, including any attachments, supersedes all prior written or oral negotiations, commitments, agreements, and understandings between the parties relating to the subject thereof, and constitutes the entire agreement between the parties with respect to the subject matter hereof. The Agreement is not effective until signed by KONE's authorized representative or until KONE commences work under the Agreement. Notwithstanding anything to the contrary in this Agreement, if Purchaser causes or permits KONE to commence performance of services, Purchaser accepts the terms and conditions of this Agreement. The Agreement may not be modified, amended, canceled, or altered by custom and usage of trade or course of dealing. Any section headings are for convenience only and will not in any way limit the scope or affect the interpretation of any provision of the Agreement. In the event any part of the Agreement is determined to be invalid or non-enforceable, the remaining part or provisions will continue in full force and effect.

Failure or delay by a party to exercise any right, remedy, power, or privilege accorded by the Agreement does not constitute a waiver of such right, remedy, power, or privilege. A waiver is effective only if in writing and signed by the waiving party. A written waiver of default will not operate as a waiver of any other default or of the same default in the future. The terms and conditions of the Agreement that by their sense and context are intended to survive expiration or termination of the Agreement will so survive, including without limitation the making of all payments hereunder.



KRMS Voice Monitoring Service Option

KONE will provide its KRMS voice monitoring service. Purchaser will provide an analog phone line to the elevator machine room to be terminated on the appropriate phone jacks. If the phone line is an extension off an existing phone system, Purchaser will provide a backup power source. If applicable, the extension must be direct inward dial (DID). All phones and associated equipment must comply with ASME A17.1, local codes, and applicable law. Purchaser will provide KONE with the elevator phone number(s) or extension(s) so that these may be programmed to call the KONE Service Center. Purchaser will complete the below information and update KONE with the information immediately in writing if the information changes. Purchaser's named representatives must be available 24/7 for contact by KONE. If the KONE Service Center receives a call from an elevator, KONE will contact Purchaser's representatives in the order listed below. KONE will contact the local emergency authorities only if there is an emergency or when KONE cannot reach Purchaser's representatives. Upon termination of the Agreement, Purchaser must immediately reprogrammed all elevator phones to dial a number other than a KONE phone number, and KONE will block the elevator phone numbers from contracting the KONE Service Center.

KRMS Activation Fee: No Charge

KRMS Service Fee: Purchaser will also pay a service fee of \$300.00 per annual installment.

The Service Fee is based upon annual in advance payment. In the event Purchaser chooses an alternate payment option on page 1, additional surcharge will apply.

Elevator Description	Equipment #	Elevator Phone # and Extension for Caller ID
1.		
First Point of Contact (Required)		
Name:	Title:	
Phone #:	Cell Phone #:	
Second Point of Contact (Required)		
Name:	Title:	
Phone #:	Cell Phone #:	
Third Point of Contact (Optional)		
Name:	Title:	
Phone #:	Cell Phone #:	
Local Emergency Authorities (Required)		
Fire Department Phone #:	Police Department Phone #:	

If Purchaser wishes to include KRMS voice monitoring services in the Agreement, Purchaser will accept by initialing below.

Accepted



CUSTOMER INFORMATION

Who is the Agreement with?		
Legal Name of the Company:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Is the Owner tax exempt? <input type="checkbox"/> Yes (If Yes, provide the Tax Exemption Certificate.) <input type="checkbox"/> No		
Federal Tax ID #:		

Where should the invoices be sent?		
Legal Name of the Company:		
Attention:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Federal Tax ID #:	Email:	

Who will be responsible for paying the invoices?		
Legal Name of the Company:		
Attention:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Federal Tax ID #:	Email:	



Purchaser ("Purchaser"):
 OTEY MEMORIAL PARISH
 CHURCH
 216 UNIVERSITY AVE
 SEWANEE, Tennessee 37375

Service Location ("Premises"):
 OTEY MEMORIAL PARISH - OTEY
 MEMORIAL PARISH CHURCH
 216 UNIVERSITY AVE
 SEWANEE, Tennessee

KONE Inc. ("KONE")
 Nashville
 1410 Donelson Pike, Suite A-20
 Nashville, TN 37217

**KONE Care™ Standard Extended Warranty for Vertical Transportation
 ("Agreement")**

OTEY MEMORIAL PARISH CHURCH

.....
 (Signature of Authorized Representative)

.....
 (Print Name)

.....
 Title

.....
 Date

Respectfully submitted,

Garrett Fink
 KONE Inc.

.....
 (Approved by) Authorized Representative

.....
 Title

.....
 Date

EQUIPMENT DESCRIPTION ("Equipment")

Manufacturer	MRL	
	Passenger	Freight
KONE	1	

TENDER DATE: 07/08/2015

EFFECTIVE DATE: 07/17/2015

PRICE

\$100.00 per month payable by Purchaser annually in advance (\$1,200.00 per annual installment). If Purchaser does not sign this Agreement within 90 days after the tender date stated above, KONE reserves the right to submit a revised price.

The price is based upon annual in advance payment. In the event Purchaser chooses one of the following payment options by initialing the selection below, a surcharge will apply as

outlined:

Payment Option	Surcharge	Revised Monthly Price	Acceptance
Semi-Annual in advance payment	2% Increase	\$ 102.00 per month	
Quarterly in advance payment	3% Increase	\$ 103.00 per month	
Monthly in advance payment	4% increase	\$ 104.00 per month	



SCOPE OF SERVICES

KONE will provide the labor to perform 4 visits to examine and/or lubricate the following equipment areas per twelve month period.

- Control system
- Power unit and/or machines
- Hydraulic system accessories
- Hoistway and pit equipment
- Door equipment
- Signals and accessories
- Rails and guides

KONE will provide all lubricants, greases, and wiping cloths.

If KONE identifies items, which, in KONE's judgment, require replacement or repair, KONE will submit to Purchaser a separate proposal and contract for Purchaser's signature. KONE makes no guarantee that its examination will identify any items that require replacement or repair.

HOURS OF SERVICE

All services described above will be performed during the regular working hours of the regular working days of the elevator or escalator trade in the location where the services are performed, unless otherwise specified in the Agreement.

TESTS

KONE will perform the following tests on the Equipment. KONE is not liable for any property damage or personal injury, including death, resulting from any test.

TRACTION ELEVATOR

A five (5) year full load test as required by applicable code.

REPORTING SERVICES

KONE may provide Purchaser with access to KONE's online reporting tool. Based on the Purchaser's user access, Purchaser can view information about the performance and service of the Equipment. KONE may provide Purchaser with automatic email notifications that provide information on work performed.

EXCLUSIONS

This Agreement does not include hydraulic fluids.

No labor, except specified herein, parts or supplies will be furnished under this Agreement.

KONE shall not be obligated to: perform safety tests other than those specified herein; install new attachments or make equipment changes, repairs or adjustments, correct outstanding violations or deficiencies.

REMOTE MONITORING

If the Equipment is equipped with remote monitoring capabilities, Purchaser gives KONE the right to utilize this functionality and the phone line to the Equipment to collect data related to the use and operation of the Equipment.

SAFETY

Purchaser will provide a safe workplace for KONE personnel and safe access to the equipment, property and machine room areas and keep all machine rooms and pit areas free from water, stored materials and debris; remove and dispose of any hazardous materials, water or waste according to applicable laws and regulations; post any and all instructions and warnings related to the use of the equipment. Purchaser will be solely responsible for proper use, for supervising the use of the equipment, and for taking such steps including but not limited to providing attendant personnel, warning signs and other controls necessary to ensure the safety of the user or safe operation of the equipment.

Notwithstanding anything to the contrary contained in this Agreement, if in KONE's sole judgment the equipment presents a safety hazard to the riding public or KONE's technicians (including but not limited to Purchaser's act of creating or allowing unsafe practices or conditions or Purchaser's failure to authorize necessary repairs or upgrades), KONE may immediately terminate this Agreement in its entirety upon written notice. To the extent that KONE provides Purchaser with any oral or written account, report, information, or other statement identifying a safety issue with the equipment that is the subject of the Agreement or otherwise makes any recommendation or proposal to make a safety improvement or to address a safety issue related to such equipment, and Purchaser does not immediately approve KONE's proposal or recommendation, Purchaser agrees to indemnify, defend, and hold KONE harmless for any claims arising out of Purchaser's failure to comply with KONE's recommendations and proposals, and any obligation on the part of KONE to indemnify or defend Purchaser with regard to such claim shall be null and void.

NOTICE OF MALFUNCTION OR INJURY

As to any elevator or escalator equipment that is the subject of the Agreement, Purchaser will: (i) immediately shut down any such equipment that presents a potential safety hazard; and (ii) provide prompt verbal notice to KONE's Service Center of such hazard. Purchaser will immediately notify KONE's Service Center of any injury or accident in or about such equipment, followed by prompt written notice of such injury or accident. Any indemnity of Purchaser provided by KONE under the Agreement



becomes null and void and will not be considered in interpreting the Agreement if Purchaser does not take the action or provide the notice required by this provision.

THIRD PARTY SERVICES

All services within the scope of this Agreement must be performed by KONE or its subcontractors, if any. If Purchaser causes or permits a third party to perform the same or substantially the same services required by this Agreement, Purchaser waives all claims against KONE arising from or related to a third party's performance of such services.

If Purchaser determines that it requires any services outside the scope of this Agreement, Purchaser will provide KONE with an opportunity to provide a quotation for such services or to meet any offer from a third party. If KONE agrees to meet a third party offer, Purchaser will enter into a separate contract with KONE for such services. If Purchaser elects to have a third party perform the services, KONE reserves the right to adjust the price of this Agreement.

If a third party works on the equipment during the term of this Agreement, KONE reserves the right to inspect the equipment and may determine that re-work, different or additional work is required. Purchaser will re-imburse KONE for the cost the inspection and any additional work required. If Purchaser declines to have KONE perform the additional work, KONE reserves the right to cancel the Agreement upon written notice to Purchaser.

NON-KONE EQUIPMENT

If the equipment covered under this Agreement was not manufactured by KONE (or a company acquired by KONE), Purchaser will: (i) provide KONE with a complete set of as-built wiring diagrams, (ii) Purchaser will procure and pay for replacement parts or proprietary diagnostic devices from the OEM, if requested by KONE, and (iii) provide Maintenance Control Plan (MCP) test procedures as required by current code, as that code may be changed or amended from time to time. KONE will reimburse Purchaser for the actual cost paid by Purchaser for OEM parts acquired at KONE's request. KONE is not responsible for any delays, damages, cost, or claims arising from or in connection with Purchaser's failure to provide OEM parts or proprietary diagnostic devices in a timely manner. Purchaser authorizes KONE to produce single copies of the EPROM and/or ROM chips for each unit for the sole purpose of an archive backup of the embedded software to allow for replacement of a defective or damaged chip. These will be stored on the building premises and the Purchaser retains possession.

TERM AND TERMINATION

This Agreement will commence on the effective date and continue for an initial period of FIVE (5) years. This Agreement

will thereafter automatically renew for successive terms of FIVE (5) years. Either party may terminate this Agreement at the end of the initial FIVE (5) year term or at the end of any subsequent FIVE (5) year term by giving the other party no less than ninety (90) days nor more than one hundred twenty (120) days written notice, via certified mail, prior to the expiration date of the then current term of the Agreement.

If a party materially breaches the Agreement, the other party may provide written notice of the breach and a reasonable time under the circumstances to cure the breach, but in no event less than a thirty (30) days cure period. If the breaching party fails to cure the breach within the specified time period, the non-breaching party may terminate the Agreement upon fifteen (15) days written notice to the other party. If KONE notifies Purchaser of a material breach pursuant to this paragraph, KONE may temporarily suspend services under this Agreement during the specified cure period.

CANCELLATION

If Purchaser cancels or otherwise terminates the Agreement in any way inconsistent with the termination provisions of the Agreement, such cancellation will constitute a material breach of the Agreement. In such case, Purchaser will pay as a cancellation fee an amount equal to fifty percent (50%) of the balance of the total price owed for the remaining term of the Agreement. Notwithstanding anything to the contrary in the Agreement, the cancellation fee will be paid by Purchaser immediately upon receipt of KONE's invoice. Purchaser will reimburse KONE for all costs of collection, including without limitation court costs and reasonable attorneys' fees.

ASSIGNMENT

Either party may assign the Agreement to a third party upon thirty (30) days prior written notice to the other party subject to the terms of this provision. If Purchaser transfers ownership of the premises on which such equipment is located to a third party, Purchaser will promptly provide KONE with new owner's contact information and take all such actions as are necessary to assign the Agreement to the third party. Purchaser will promptly provide KONE with a copy of such assignment.

PRICE ADJUSTMENTS

If the term of the Agreement exceeds one (1) year, KONE may automatically adjust the price annually effective on the first maintenance invoice in each new calendar year. This adjustment will be equal to the percentage increase or decrease in KONE's straight time hourly labor cost. KONE's straight time hourly labor cost equals the sum of the straight time hourly rate plus the cost of fringe benefits and applicable taxes, including without limitation welfare, pension, vacation, paid holidays, insurance and other union contributions, paid to personnel where the Equipment is located. KONE reserves the right to add annual surcharges to the price of the Agreement, including without



limitation, adjustments for the then current price of fuel and charges for disposal or other environmental requirements, such surcharges to be specified by KONE in its sole discretion and invoiced by KONE and paid annually by Purchaser.

PAYMENT TERMS

Payment is due net thirty (30) days from the date of the invoice. A charge of the greater of: (i) one and one half percent (1½%); or (ii) the maximum rate permitted by applicable law, will be applied to the unpaid balance. Purchaser will reimburse KONE for all costs of collection, including without limitation court costs and reasonable attorneys' fees.

SUSPENSION OF SERVICE

If Purchaser fails to pay any invoice within the specified payment terms or if Purchaser breaches any material provision of the Agreement, KONE may stop work or suspend its services under any and all contracts with the Purchaser until all invoices are current or Purchaser cures the breach.

Any requests for service during the period of suspension of service or repairs necessitated by the lack of maintenance service will be invoiced by KONE and paid separately by Purchaser.

If Purchaser fails to make timely payment, any indemnity provided by KONE under the Agreement is null and void as to any damages that arise during the period of non-payment.

Purchaser waives all claims against KONE arising from or related to suspension of service pursuant to this provision.

TAXES

Purchaser is responsible for the payment of all federal, state, or local taxes applicable to the services or materials provided under the Agreement.

INDEMNIFICATION

To the extent permitted by law, Purchaser will indemnify, defend, and hold KONE harmless from and against any and all claims, demands, actions, suits, proceedings, judgments, damages, loss, liabilities, costs, or expenses, including without limitation court costs and reasonable attorney's fees, whether arising from or related to Purchaser's, KONE's, or any third party's negligence, willful misconduct, or acts or omissions in performance of the Agreement.

LIMITATION OF LIABILITY

Notwithstanding anything to the contrary in this Agreement, KONE's total liability to Purchaser under the Agreement is limited to the total amount paid by Purchaser to KONE during the calendar year in which the liability occurred.

In no event will either party be liable to the other party for indirect, incidental, consequential, special, exemplary, or punitive damages of any kind or nature arising from or related to performance of the Agreement, including without limitation loss of profits, loss or inaccuracy of data, or loss of use damages, even if the party has been advised of the possibility of such damages and even if under applicable law such damages would not be considered for indirect, incidental, punitive, special, or consequential damages. Each party hereby waives its rights to such damages to the fullest extent permitted by applicable law. If there is any litigation between the parties with respect to this Agreement or the subject matter hereof, the prevailing party in such litigation shall be entitled to collect all of its costs and expenses in such litigation, including reasonable attorney's fees and court costs, from the other party.

Purchaser will name KONE as an additional insured on its insurance policy.

Any waiver of claims, damages, or other rights, whether such rights arise under the Agreement or by law or in equity, purported to be made by KONE in the Agreement is null and void and will not be considered in interpreting the Agreement.

U.S. GOVERNMENT SALES

If the product(s) or service(s) provided under this Agreement are for end use by a federal, state or local government customer, KONE makes no representations, certifications or warranties whatsoever with respect to the ability of its product(s), service(s) or price(s) to satisfy any applicable federal, state or local statutes or regulations, including without limitation the Federal Acquisition Regulation ("FAR").

FORCE MAJEURE

A party is not liable for failure to perform its obligations under the Agreement if such failure is beyond its control and without its fault and results from Acts of God (including without limitation fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether or not war is declared), civil war, civil strife, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, or lockout, epidemic or pandemic, or interruption or failure of electricity or telephone service. The non-performing party must promptly notify the other party in writing of the force majeure event and resume performance immediately upon cessation of the event.

VENUE

The exclusive venue for any dispute between the parties shall be in the County of Rock Island, State of Illinois.



PROPERTY RIGHTS

KONE will provide Purchaser with any of its information or materials that it provides generally to all its customers in the ordinary course of its business. Any tools, devices, or other equipment that KONE uses to perform its services or monitor the Equipment remains its sole property. If KONE's contract terminates or expires for any reason, Purchaser will give KONE access to the premises to remove such equipment at KONE's expense.

KONE retains all rights, title, and interest, including all intellectual property rights, in and to the written materials it provides to Purchaser or uses to perform its services, including without limitation shop drawings, technical documentation, and user manuals, and to any software provided with the equipment. Purchaser will not use such software except in connection with the use and operation of the equipment. Purchaser will not reverse engineer or otherwise attempt to obtain the source code of any software in object code form.

MISCELLANEOUS

The Agreement, including any attachments, supersedes all prior written or oral negotiations, commitments, agreements, and understandings between the parties relating to the subject thereof, and constitutes the entire agreement between the parties with respect to the subject matter hereof. The Agreement is not effective until signed by KONE's authorized representative or until KONE commences work under the Agreement.

Notwithstanding anything to the contrary in this Agreement, if Purchaser causes or permits KONE to commence performance of services, Purchaser accepts the terms and conditions of this Agreement. The Agreement may not be modified, amended, canceled, or altered by custom and usage of trade or course of dealing. Any section headings are for convenience only and will not in any way limit the scope or affect the interpretation of any provision of the Agreement. In the event any part of the Agreement is determined to be invalid or non-enforceable, the remaining part or provisions will continue in full force and effect. Failure or delay by a party to exercise any right, remedy, power, or privilege accorded by the Agreement does not constitute a waiver of such right, remedy, power, or privilege. A waiver is effective only if in writing and signed by the waiving party. A written waiver of default will not operate as a waiver of any other default or of the same default in the future. The terms and conditions of the Agreement that by their sense and context are intended to survive expiration or termination of the Agreement will so survive, including without limitation the making of all payments hereunder.



KONE Care Remote Monitoring Service Voice Link and Wireless Phone Service Option

KONE will provide KONE Care Phone Monitoring Service.

Customer shall:

- Provide names and phone numbers of at least two of its representatives for the KONE Service Center to contact on a 24 hour basis, and at least one police, fire or local 911 agency phone number.
- Notify KONE immediately in writing of any changes in these names or numbers. In the event of a call from the elevator, the KONE Service Center will contact the points of contact in the order listed. The local authorities will be contacted if the previously mentioned points of contact cannot be reached.

If KONE wireless phone service is provided, then KONE provides the phone connection via a KONE provided wireless service and customer shall provide the ability to reactivate the analog phone line in the event KONE can no longer provide wireless service. Customer shall also provide KONE access to the appropriate location where the building telecommunications devices are located. KONE also reserves the right to remove the wireless hardware in the event KONE no longer provides the wireless service or maintains the equipment.

If KONE does not provide wireless phone service, customer shall provide an analog phone line to the elevator machine room (to be terminated to the appropriate phone jacks). If phone line is an extension off an existing phone system, a backup power source must also be provided. An extension, if applicable, must be a direct inward dial (DID) extension. All phones and associated equipment shall be in compliance with the requirements of ASME A17.1, local codes and applicable law, as amended. Customer shall also provide the elevator phone number(s) and/or extension(s) for the phone(s) being programmed.

Activation Fee: No Charge

Service Fees: Purchaser will also pay a service fee of \$300.00 per annual installment.

The Service Fee is based upon annual in advance payment. In the event Purchaser chooses an alternate payment option on page 1, additional surcharge will apply.

Elevator Description	Equipment #	Elevator Phone # and Extension for Caller ID
1.		



First Point of Contact (Required)	
Name:	Title:
Phone #:	Cell Phone #:
Second Point of Contact (Required)	
Name:	Title:
Phone #:	Cell Phone #:
Third Point of Contact (Optional)	
Name:	Title:
Phone #:	Cell Phone #:
Local Emergency Authorities (Required)	
Fire Department Phone #:	Police Department Phone #:

If Purchaser wishes to include KONE Care Phone Monitoring and/or Wireless Phone Services in the Agreement, Purchaser will accept by initialing below.

Accepted



CUSTOMER INFORMATION

Who is the Agreement with?		
Legal Name of the Company:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Is the Owner tax exempt? <input type="checkbox"/> Yes (If Yes, provide the Tax Exemption Certificate.) <input type="checkbox"/> No		
Federal Tax ID #:		

Where should the invoices be sent?		
Legal Name of the Company:		
Attention:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Federal Tax ID #:	Email:	

Who will be responsible for paying the invoices?		
Legal Name of the Company:		
Attention:		
Address:		
City:	State:	Zip:
Contact Name:	Title:	
Phone:	Fax:	
Federal Tax ID #:	Email:	