

The heart of your building™



**PREMIUM (COMPLETE MAINTENANCE) AGREEMENT
FOR
VERTICAL TRANSPORTATION**

PURCHASER (Equipment Owner):

Public Building Commission
County/City Property Management
920 'O' Street
Lincoln, NE 68508

SERVICE LOCATION:

County/City Building
Hall of Justice
555-575 S. 10th Street
Lincoln, NE 68508

EQUIPMENT DESCRIPTION

Make	Model	Freight		Passenger		Escalator	Walk	Other
		Traction	Hydraulic	Traction	Hydraulic			
MKO	Relay Logic			1				
KONE	MIPROM I®				3			
KONE				5				



THIS CONTRACT/AGREEMENT, dated November 30, 2005, by and between Public Building Commission, (Purchaser) and KONE Inc. (Contractor) is for Complete Maintenance for the vertical transportation located at County/City Building.

KONE and Purchaser, in consideration of the terms, covenants & conditions set forth, hereby agree as follows:

PERFORMANCE

KONE will systematically examine, maintain, adjust and lubricate the equipment. In addition, unless specifically excluded elsewhere, KONE will repair or replace the following if the repair or replacement is, in KONE's judgment, necessitated by normal wear and tear.

HYDRAULIC ELEVATORS

Miprom I® HYDRAULIC ELEVATOR SYSTEM COMPONENTS

CONTROL SYSTEM

Controller cabinet, machine room connection board, LCE CPU board, safety relay assembly, hydraulic level shifter board, power supply, transformers, contactor panels, bypass switches, relays, fuses, motor starters and accessories.

KONE First Service technicians will be equipped with necessary field diagnostic and service tools. Microprocessor software examinations will be conducted to ensure dispatching and motion control systems are operating at proper levels.

POWER UNIT

Enclosure, pump, motor, power transmission elements between the pump and motor, valves, strainers, mufflers, gaskets and all other accessories.

HYDRAULIC SYSTEM ACCESSORIES

Exposed piping, fittings, jack packing and accessories, such as vibration dampeners and silencers between the pumping unit and the jack unit. Hydraulic fluid, heating or cooling elements, insulation and accessories installed by the elevator equipment manufacturer for controlling oil temperature.

CAR EQUIPMENT

Car panel connect board, car operating board, car top inspection station, floor leveling unit assembly, switch tree assembly and floor controllers.

ELECTRICAL

Electrical wiring, conduit, ducts, and traveling cables from the elevator equipment to the machine room mainline disconnect switch, and hoistway outlets.

HOISTWAY AND PIT EQUIPMENT

Landing and slowdown switches, limits and car buffers.

RAILS AND GUIDES

Guide rails, guide shoe gibs and rollers. Guide rails will be properly lubricated, except where roller guides are used.

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.

SIGNALS AND ACCESSORIES

Car operating panels, hall push button stations, hall lanterns, emergency lighting, car and hall position indicators, lobby control panels, car operating panels, fireman's service equipment and all other signal 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 systematic examinations. Service requests related to re-lamping of signal fixtures will be considered billable.

HOUSEKEEPING

Purchaser and KONE have a shared responsibility to clean elevator machine rooms, pit areas, hoistway equipment including rails, interlocks, hoistway door hangers and tracks, relating devices, switches, buffers and car tops.

LUBRICANTS

KONE will use lubricants compounded under OEM's specifications or equal.

TRACTION ELEVATORS

Miprom 210/MEGATECH TRACTION ELEVATOR SYSTEM COMPONENTS

CONTROL SYSTEM

Power supply, digital drive, armature filters, dynamic braking resistors, brake panel, card rack and microprocessor boards. The specific components include relay interface board, relay pilot board, power supply board, digital drive unit, motion adapter boards, main control board, brake control panel, normal/emergency terminal speed limit control, control power transformer, brake resistors, brake transformers, overload relay control, MSU board, parallel input/output board, serial input/output board, CPU board, specific microprocessor card racks for calls and common control interfaces.

RELAY LOGIC TRACTION ELEVATOR SYSTEM COMPONENTS

CONTROL SYSTEM

Control, selector, dispatcher, relay panel, relays, timers, resistors, transformers and motor starter.

KONE First Service technicians will be equipped with necessary field diagnostic and service tools. Microprocessor software examinations will be conducted to ensure dispatching and motion control systems are operating at proper levels.

GEARED/GEARLESS MACHINES

Worms, gears, thrusts, bearings, rotating elements, brake magnet coils, brushes, brake shoes, linings, pins, deflector, secondary and other sheaves, bearings and assemblies.

ELECTRICAL

Electrical wiring, conduit, ducts, and traveling cables from the elevator equipment to the machine room mainline disconnect switch, and hoistway outlets.

HOISTWAY AND PIT EQUIPMENT

Landing and slowdown switches, limits, car and counterweight buffers, overspeed governors, governor tension sheave assemblies and car counterweight safeties.

RAILS AND GUIDES

Guide rails, guide shoe gibs and rollers. Guide rails will be properly lubricated, except where roller guides are used.

HOIST ROPES

Hoist ropes will be properly lubricated and adjusted for equalized tension.

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.

SIGNALS AND ACCESSORIES

Car operating panels, hall push button stations, hall lanterns, emergency lighting, car and hall position indicators, lobby control panels, car operating panels, fireman's service equipment and all other signal 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 systematic examinations. Service requests related to re-lamping of signal fixtures will be considered billable.

HOUSEKEEPING

Purchaser and KONE have a shared responsibility to clean elevator machine rooms, pit areas, hoistway equipment including rails, interlocks, hoistway door hangers and tracks, relating devices, switches, buffers and car tops.

LUBRICANTS

KONE will use lubricants compounded under OEM's specifications or equal.

HOURS OF SERVICE

All work covered under this Agreement is to be performed during the regular working hours of regular working days of the elevator trade, unless otherwise indicated herein.

KONE SERVICE CENTER

The KONE Service Center is available 24-hours a day, seven days a week to respond to all calls and dispatch a service technician if necessary. In the unlikely event of an entrapment, a highest priority response will be given.

SERVICE REQUESTS (CALLBACKS)

This Agreement covers minor adjustment service requests during the regular working hours of regular working days of the elevator trade, unless otherwise indicated herein.

If Purchaser should require, at any time, service requests (unless included above) to be made on overtime, Purchaser will be charged only for the difference between KONE's regular hourly billing rate and KONE's regular overtime billing rate applicable for each overtime hour worked. All work outside the scope of this Agreement is to be performed by KONE at an agreed upon rate.

Service requests are defined as minor adjustments, corrections or emergency entrapments that require immediate attention and are not caused by reasons beyond KONE's control. Service requests do not include work that requires more than one technician or more than two hours to complete.

TESTS

KONE will perform the following tests on the equipment:

HYDRAULIC ELEVATOR

A pressure relief test and a yearly leakage test as required by the A.S.M.E. A-17.1 code.

TRACTION ELEVATOR

An annual no load test as required by the A.S.M.E. A-17.1 code.

EXCLUSIONS

KONE assumes no responsibility for the following items or services, which are excluded from the Agreement:

HYDRAULIC ELEVATOR

Refinishing, repairing, replacement or cleaning of car enclosure, gates and/or door panels, door pull straps, hoistway enclosure, rail alignment, hoistway doors, door frames, sills, hoistway gates, finished flooring, power feeders, switches, their wiring and fusing, car light diffusers, ceiling assemblies and attachments, smoke or heat sensors, fireman's phone devices, intercoms, music systems, media displays, card-readers or other security systems, light tubes and bulbs, hydraulic cylinder, unexposed piping, pit pumps, emergency power generators, disposal of or clean-up of waste oil or any contamination caused by leaks in the hydraulic cylinder or unexposed piping, including any consequential damages.

TRACTION ELEVATOR

Refinishing, repairing, replacement or cleaning of car enclosure, gates and/or door panels, door pull straps, hoistway enclosure, rail alignment, hoistway doors, door frames, sills, hoistway gates, finished flooring, power feeders, switches, their wiring and fusing, car light diffusers, ceiling assemblies and attachments, smoke or heat sensors, fireman's phone devices, intercoms, music systems, media displays, card-readers or other security systems, pit pumps, emergency power generators, light tubes and bulbs.

GENERAL

KONE shall not be obligated to make other safety tests other than those specified herein, equipment adjustments, or to install new attachments whether or not recommended or directed by insurance companies, or by federal, state, municipal, A.S.M.E. codes, or other governmental or non-governmental authorities. KONE will maintain the equipment performance and its components to the operating condition at the effective date of this agreement. KONE shall not be required to perform and keep records of firefighter's service testing, unless specifically included elsewhere in this agreement. KONE shall not be obligated to make equipment adjustments to achieve Code required Escalator Step/Skirt Performance Index or loaded gap values. KONE shall not be obligated to make changes or adjustments required by new or retroactive code changes. KONE will not be responsible to perform tests or correct outstanding violations or deficiency lists cited by code authorities or any third party agency prior to the effective date of this agreement. KONE will not be required to make renewals or repairs necessitated by fluctuations in the building AC power systems, adverse machine room conditions (including temperature variations below 60 degrees and above 90 degrees Fahrenheit), excessive humidity, adverse environmental conditions, water damage, prior water exposure, rust, fire, explosion, acts of God, misuse, vandalism, theft, war, acts of government, labor disputes, strikes, lockouts or tampering with the elevator equipment by unauthorized personnel. KONE shall not be obligated to make repairs or renewals for damage or deterioration caused by UV rays.

KONE shall not be required to make renewals or repairs necessitated by negligence or misuse of the equipment or any other cause beyond its control except ordinary wear and tear. In the event that any part of the equipment becomes obsolete or is no longer manufactured by the manufacturer, the cost to replace the obsolete part shall be at the Owner's expense.

INDEMNITY CLAUSE

Purchaser shall indemnify, defend and save harmless KONE from and against liabilities, losses and claims of any kind or nature imposed on, incurred by, or asserted against KONE arising out of the concurrent, active or passive negligence of KONE in any way connected with the services provided under this Agreement or the use or operation of the equipment. Purchaser hereby waives any and all rights of recovery, arising as a matter of law or otherwise, which Purchaser might now or hereafter have against KONE.

PURCHASER ASSURANCES

AUTHORIZED PERSONNEL

Purchaser agrees to furnish KONE with a list of authorized personnel responsible for building operations.

WIRING DIAGRAMS

Purchaser agrees to provide KONE with a complete set of as built wiring diagrams.

NOTIFICATION

In the event that the equipment is not functioning properly, purchaser agrees to shut down equipment and notify KONE for repair.

Purchaser agrees to notify KONE in the event of any injury or accident in or about the equipment included in this agreement. Verbal notification must be provided immediately and written notification must be provided within seven days.

OPERATION

Purchaser shall at all times be solely liable for the proper use of the equipment. Purchaser agrees to post any and all instructions and warnings to passengers related to the use of the equipment. Purchaser shall not permit anyone other than KONE to make repairs, additions, modifications, upgrades or adjustments to the equipment covered herein during the term of the agreement.

TESTING AND SERVICING

Purchaser agrees to perform the monthly firefighter's service testing and keep record of such tests, if required and not specifically included elsewhere herein. Purchaser agrees to annually maintain the mainline disconnect switch by a certified electrician and repair as necessary.

EQUIPMENT ACCESS

Purchaser agrees to provide safe access to the equipment and machine room areas for service and keep all machine rooms and pit areas free from water, stored materials and debris. Purchaser agrees to remove and dispose of any hazardous materials, water or waste according to applicable laws and regulations. Purchaser agrees to provide a safe workplace for our personnel.

SATISFACTION

If you are ever less than very satisfied with KONE's performance, Purchaser agrees to contact KONE immediately.

CONTRACT TERM

The service specified will be furnished from the effective date stated herein, and shall continue for an initial, non-cancelable term of FIVE (5) years. This Agreement will automatically renew for successive terms of FIVE (5) years thereafter. Either party may terminate this Agreement either 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 ninety (90) days written notice, via certified mail, prior to the expiration date of the Agreement, the expiration date being FIVE (5) years from the effective date of this

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agreement or FIVE (5) years from the effective date of any subsequent renewal term. The parties acknowledge that delayed notice of termination shall constitute a material breach of contract and the entire remaining amount of the contract will accelerate and become due to KONE as liquidated damages. In the event of the sale, lease or other transfer of the ownership of the equipment described herein, or the premises in which it is located, Purchaser agrees to see that such Purchaser is made aware of this Agreement and assumes and agrees to be bound by the terms hereof for the balance of the Agreement. KONE may, at its sole discretion, terminate this Agreement at any time upon thirty (30) days advance notice in writing due to the Purchaser's breach of contract, safety or liability issues or Purchaser's refusal to authorize necessary repairs or upgrades.

CONTRACT PRICE

KONE in consideration of **\$2,990.00 (TWO THOUSAND NINE HUNDRED NINETY AND 00/100 DOLLARS)** payable by Purchaser monthly in advance, hereby agrees to furnish services herein described on the equipment within the agreement.

PRICE ADJUSTMENTS

The contract price will be adjusted annually on January 1 of each year of the contract. The payment adjustment will reflect the increase or decrease in labor costs.

Labor

100% of the current contract price will be increased or decreased by the percent increase or decrease in the straight time hourly labor cost. The current straight time labor cost is the sum of the straight time hourly rate plus the cost of fringe benefits (fringe benefits include but are not limited to welfare, pension, vacations, paid holidays, insurance, and other union contributions) paid to elevator examiners in the locality the equipment is maintained.

KONE reserves the right to additionally adjust the contract price under extraordinary circumstances if the cost of fuel, insurance or other administrative expenses increase.

PAYMENT TERMS

Payments are due within ten (10) days of date of invoice. A delinquent payment charge calculated at the rate of 1½% per month, or if such rate is usurious then at the maximum rate under applicable law, shall be applied to delinquent payments. In the event of default of the payment provisions herein, Purchaser agrees to pay, in addition to any defaulted amount, all attorney fees, collection cost or court cost in connection therewith. Failure to pay any sum due by Purchaser within sixty (60) days will be a material breach. KONE may at KONE's option declare all sums due or to become due for the unexpired term immediately due and payable as liquidated damages, and until the same are paid, KONE may suspend service, and be discharged from further obligations under the contract. If KONE exercises its right to suspend service, KONE shall not be responsible for injury or damage resulting from the lack of service. When service is resumed, Purchaser will be responsible for any costs KONE incurs as a result of the lapse in service.

These payment terms shall also be applicable to any charges for work outside the scope of this Agreement.

EXTENDED TERM SAVINGS OPTION

It is agreed that in consideration of Purchaser's selection of one of the extended contract terms set forth below, KONE will apply, upon acceptance of this agreement by Purchaser, the appropriate savings discount to the contract price throughout such contract term and all term periods subsequent thereto.

Contract Term Selected by Purchaser	Savings Applied By KONE	Indicate Purchaser's Selection by Signing the Appropriate Line
Ten (10) years	3%	_____
Fifteen (15) years	5%	_____
Twenty (20) years	7%	_____

PERFORMANCE CLAUSE

Purchaser may, at any time and at Purchaser's expense, call for an independent elevator consulting firm to evaluate KONE's performance within the scope of this contract. The elevator consulting firm shall be mutually agreed upon by Purchaser and KONE.

If it is found KONE is not complying with the terms of this Agreement, a detailed report shall be submitted to KONE outlining the specific requirements and a minimum period of ninety (90) days shall be allowed for KONE to correct the corresponding non-compliance.

In the event KONE fails to correct the noted material items within the allowed time, Purchaser shall have the right to terminate this Agreement by giving KONE ninety (90) days written notice. Notwithstanding this right, Purchaser remains obligated to pay all previously outstanding balances owed KONE.

TAX

Purchaser shall pay, in addition to the price, any tax imposed upon Purchaser by any existing or future law and the amount of tax imposed upon KONE, KONE's suppliers or Purchaser under any statute, court decision, rule or regulation currently effective or becoming effective after the date of this Agreement which is based upon or incident to the transfer, use, ownership, or possession of the materials or equipment involved in the performance hereof or the services rendered, hereunder.

OBLIGATIONS OF THE PARTIES

Nothing in this Agreement shall be construed to mean that KONE assumes any liability of any nature whatsoever arising out of, relating to or in any way connected with the use or operation of the equipment covered by this Agreement. Purchaser shall be solely responsible 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.

Purchaser shall at all times and at Purchaser's own cost, maintain a commercial general liability policy covering bodily injury and property damage with the limits of liability Purchaser's customarily carry for the life of this contract (naming KONE as an additional insured) arising out of the services provided under the Agreement and/or the ownership, maintenance, use or operation of the equipment described herein.

Neither KONE nor its affiliates shall be liable for any loss, damage, detention or delay caused by accidents, strikes, lockouts, material shortages or by any other cause which is beyond its

reasonable control, or in any event, for incidental or consequential damages. KONE shall not be liable for any work, service or material other than that specifically mentioned herein.

KONE will not be liable for any indirect, consequential, or special damages including but not limited to fines, penalties, loss of profits, goodwill, business or loss of use of equipment or property.

ADDITIONAL TERMS

This Agreement shall constitute, exclusively and entirely, the agreement for the service described and all prior representations or agreements relating thereto, whether written or verbal, shall be deemed to be merged herein and this Agreement including changes in or additions to shall not be binding upon KONE until approved by a local Office Manager or one of its executive officers at Moline, Illinois. Submission of this contract does not void or otherwise nullify the existing contract until this new contract is signed and approved by both parties. The Terms and Conditions set forth herein shall prevail over and supersede any terms and conditions contained in any documents provided by Purchaser.

This Agreement is confidential between Purchaser and KONE and shall not be distributed to third parties.

VENUE

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



First Service Contact Information

Customer Contact

Service Location
 County/City Building
Service Agreement Number
 40012615
Agreement Effective Date
 January 1, 2006
Contact Person
 Don Killeen
Telephone Number
 (402) 441-7356
Fax Number
 (402) 441-8101
Email Address
 dkilleen@ci.lincoln.ne.us

Purchaser (Equipment Owner)

Address
 Public Building Commission
 County/City Property Management
 920 'O' Street
 Lincoln, NE 68508
Contact Person
 Don Killeen
Telephone Number
 (402) 441-7356
Fax Number
 (402) 441-8101
Email Address
 dkilleen@ci.lincoln.ne.us

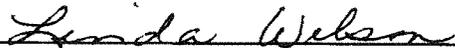
KONE Contact

KONE Account Representative
 Jay T. Clayton
Telephone Number
 (402) 592-7381
Fax Number
 (402) 592-3758
E-Mail Address
 jay.clayton@kone.com
KONE Service Manager
 Joe Dworak
24 Hour Call Center
 877-276-8691
Website Address
 www.kone.com

ACCEPTANCE

The parties to the service agreement agree to the conditions contained herein:

Signed for and on behalf of Public Building Commission


 (Signature)

Linda Wilson
 (Print Name)

Co-Chair Public Building
 (Print Title) Commission

Date: 12 / 13 / 05

Respectfully submitted,
 KONE, Inc.


 (Submitted By) Jay T. Clayton


 (Approved By) Authorized Representative

Date: 12/21/05