Southern Air, INC. 2655 Lakeside Drive P.O. Box 4205 Lynchburg, VA 24502-0205 (434) 385-6200

MAINTENANCE AGREEMENT
FOR BUILDING ENVIRONMENTAL SYSTEMS

BY AND BETWEEN:

Southern Air	
hereinafter CONTRACTOR	**hereinafter CUSTOMER**

SERVICES WILL BE PROVIDED AT THE FOLLOWING LOCATION(S):

Contractor will provide the services described in the maintenance program and schedules indicated below, which are attached hereto and made a part of this Agreement, in accordance with the terms and conditions set forth on the last page of this Agreement.

MAINTENANCE PROGRAM: **CUSTOMIZED PROGRAMMED MAINTENANCE II**

Work will commence on _____. The _____ rate will be _____ from _____

through _____. The _____ rate will be _____ from _____ through _____.

Payment in advance: ☐ Annually ☐ Semi-annually ☐ Quarterly ☐ Monthly ☐ Other:

SERVICES PROVIDED: ☐ 1 – HVAC Preventive Maintenance ☐ 2 - Air Filter Service

This proposal is the proprietary property of Contractor and is provided for Customer's use only. Contractor guarantees the price stated in this Agreement for thirty (30) days from proposal date above. This proposal will become a binding Agreement only after acceptance by Customer and approval by an officer of Contractor as evidenced by their signatures below. The Customer agrees to all of the terms and conditions set forth on all pages attached hereto; and no person has authority to make any claim, representation, promise or condition on behalf of Contractor, which is not expressed herein. This annual Agreement shall continue in effect from year to year unless either party gives a written thirty (30) day notice to cancel.

CONTRACTOR	**CUSTOMER**
Account Manager	Customer Representative
Approved for Contractor:	**Approved for Customer:**
Signature	Signature
Title	Title
Date	Date

Proposal Date	Proposal number	Agreement number	Page
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HVAC PREVENTIVE MAINTENANCE
CUSTOMIZED PROGRAMMED MAINTENANCE II

Our Customized Programmed Maintenance II (CPM-II) is designed to provide the Customer with an on-going maintenance program. The CPM-II program will be initiated, scheduled, administered, monitored and updated by the Contractor. The service activities will be directed and scheduled, on a regular basis, by our comprehensive equipment maintenance scheduling system based on manufacturers' recommendations, equipment location, application, type, run time, and Contractor's own experience. The Customer will be informed of the program's progress and results on a continuing basis via a detailed Service Report, presented after each service call for Customer's review, for approval, signature and record.

CONTRACTOR WILL PROVIDE THE FOLLOWING PROGRAMMED MAINTENANCE SERVICES FOR THE BUILDING ENVIRONMENTAL MECHANICAL SYSTEM(S) COMPRISED OF THE EQUIPMENT LISTED ON SCHEDULE I (INVENTORY OF EQUIPMENT):

TEST AND INSPECT: Job labor, travel, and expenses required to visually INSPECT and TEST equipment to determine its operating condition and efficiency. Typical activities include:

- **TESTING** for excessive vibration; motor winding resistance; refrigerant charge; fan RPM; refrigerant oil (acid); water condition; flue gas analysis; safety controls; combustion and draft; crankcase heaters.
- **INSPECTING** for worn, failed or doubtful parts; mountings; drive couplings; oil level; rotation; soot; flame composition and shape; pilot and igniter; steam, water, oil and/or refrigerant leaks, etc.

PREVENTIVE MAINTENANCE: Job labor, travel labor and travel and living expenses required to clean, align, calibrate, tighten, adjust, and lubricate. These activities are intended to extend equipment life and assure proper operating condition and efficiency. Typical activities include:

- **CLEANING** coil surfaces ☐ is / ☐ is not included; electrical contacts; burner orifices; passages and nozzles; pilot and igniter; chiller, condenser and boiler tubes, etc.
- **ALIGNING** belts are ☐ / are not ☐ included; belt drives; drive couplings; air fins, etc.
- **CALIBRATING** safety controls and pressure controls, etc, within equipment.
- **TIGHTENING** electrical connections; mounting bolts; pipe clamps; refrigerant piping fittings; damper sections, etc.
- **ADJUSTING** belt tension; fan RPM; water chemical feed rate; burner fuel/air ratios; gas pressure; set point of limits; compressor cylinder unloaders; damper close-off; sump floats, etc.
- **LUBRICATING** motors; fan and damper bearings; valve stems; damper linkage; fan vane linkages, etc.

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SCHEDULE 1
INVENTORY OF EQUIPMENT

QTY	EQUIPMENT	MANUFACTURER	MODEL	LOCATION

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SCHEDULE 2
AIR FILTER SERVICE

CONTRACTOR WILL FURNISH AND INSTALL AIR FILTER MATERIAL(S) AS LISTED BELOW:

UNIT	QUANTITY	SIZE	TYPE	CHANGES/YR

SCHEDULE 3
SPECIAL SERVICES/PROVISIONS

This proposal is the property of Southern Air, Incorporated, and is submitted in confidence with the understanding and agreement that it is not to be reproduced, copied or loaned, in part or in whole. It is not to be used in any manner that may constitute a detriment, directly or indirectly, to Southern Air, Inc. nor submitted to competitors thereof without the expressed consent and approval of Southern Air, Incorporated. Acceptance of this proposal will be construed as an agreement to the above.

Material Safety Data Sheets Clause:

Customer shall make available to Contractor's personnel all pertinent Material Safety Data Sheets (MSDS) pursuant to OSHA's Hazard Communication Standard Regulations.

Asbestos Hazard Clause:

Contractor's obligation under this proposal and any subsequent contract does not include the identification or removal of any asbestos products or other hazardous substances. In the event such products or substances are encountered, Contractor's sole obligation will be to notify the Owner of the existence of such products and materials. Contractor shall have the right there after to suspend its work until such products or materials and the resultant hazards are removed. The time for completion of the work shall be extended to the extent caused by the suspension and the contract price equitably adjusted.

Clean Air Act:

"Labor, material, expenses, or equipment required to comply with laws and/or regulations imposed or set forth by any governmental agencies including, but not limited to, the storage, handling, recovery and/or recycling of refrigerants are not covered by this plan."

Environmental Protection Agency/CFC/Refrigerant Requirements:

We, Southern Air, Incorporated, conform to all laws, rules and regulations pertaining to the reclaims, disposal, storage and handling of all refrigerants as required by the Environmental Protection Agency.

SCHEDULE 3
SPECIAL SERVICES/PROVISIONS

TERMS AND CONDITIONS

1. In case of any failure to perform its obligations under this Agreement, Contractor's liability is limited to repair or replacement at its option, and such repair or replacement shall be Customer's sole remedy. This warranty is conditional upon operation and maintenance by Customer and shall not apply if the failure is caused or contributed to by accident, alteration abuse or misuse, and shall not extend beyond the term of this Agreement.

2. Customer shall permit Contractor free and timely access to area and equipment, and allow Contractor to start and stop the equipment as necessary to perform required services. All planned work under this Agreement will be performed during the Contractor's normal working hours.

3. The monthly rate is conditioned upon the system(s) covered being in a maintainable condition. If the initial inspection or initial seasonal start-up indicates repairs are required, a firm quotation will be submitted for Customer's approval. Should Customer not authorize the repairs, Contractor may either remove the unacceptable system(s), component(s) or part(s) from its scope of responsibility and adjust the monthly rate accordingly or cancel this Agreement.

4. The monthly rate is subject to adjustment annually on each commencement anniversary to reflect increased labor, material and other costs.

5. Customer shall be responsible for all taxes applicable to the services and/or materials hereunder.

6. Customer will promptly pay invoices within thirty (30) days of receipt. Should a payment become sixty (60) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the entire Agreement amount shall become due and payable immediately upon demand. Past due accounts are subject to 18% APR after 30 days. Jurisdiction for any dispute shall be Lynchburg.

7. Any alteration to, or deviation from this Agreement involving extra work, cost of materials or labor will become an extra charge (fixed price amount to be negotiated or on a time-and-material basis at Contractor's rates than in effect) over the sum stated in this Agreement.

8. Contractor will not be required to move, replace or alter any part of the building structure in the performance of this Agreement.

9. Customer shall permit only Contractor's personnel or agent to perform the work included in the scope of this Agreement. Should anyone other than Contractor's personnel perform such work, Contractor may, at its option, cancel this Agreement or eliminate the involved item of equipment from inclusion in this Agreement.

10. In the event Contractor must commence legal action in order to recover any amount payable under this Agreement, Customer shall pay Contractor all court costs and attorneys' fees incurred by Contractor. This agreement shall be interpreted and enforced according to the laws of the Commonwealth of Virginia and the venue for legal proceedings shall be the City of Lynchburg.

11. Any legal action relating to this Agreement, or the breach thereof, shall be commenced within one (1) year from the date of the work.

12. Contractor shall not be liable for any delay, loss, damage or detention caused by unavailability of machinery, equipment or materials, delay or carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, action of the elements, forces of nature, or by any cause beyond its control.

TERMS AND CONDITIONS

13. To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, its agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of work hereunder, provided that such claim, damage, loss or expense is caused in whole or in part by an active or passive act or omission of Customer, anyone directly or indirectly employed by Customer, or anyone for whose acts Customer may be liable, regardless of whether it is caused in part by the negligence of Contractor.

14. **UNDER NO CIRCUMSTANCES**, WHETHER ARISING IN CONTRACT TORT (INCLUDING NEGLIGENCE), EQUITY OR OTHERWISE, WILL CONTRACTOR BE RESPONSBIBLE FOR LOSS OF USE, LOSS OF PROFIT, INCREASED OPERATING OR MAINTENANCE EXPENSES, CLAIMS OF CUSTOMER'S TENANTS OR CLIENTS, OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.

15. This Agreement does not include repairs to the system(s), the provision or installation of components or parts, or service calls requested by the Customer. These services will be charged for at Contractor's rates then in effect.