

Facilities Management Plan

Introduction

This Plan is one of a series of Service Plans prepared by IndeServe Ltd to assist organisations that are considering outsourcing their technology servicing requirements.

List of Service Plans

Service Plans	Description	Customer Benefits
Standard Services Plan	The provision of services at pre-agreed rates and response times at the Customer's location for one technical skill set; either electrical, telecommunications, IT or security equipment and systems.	Covers specific equipment and systems that require frequent service or moves, adds and changes, eg, PABXs, LANs, security systems, lighting and air conditioning
Integrated Services Plan	The management and provision of services at the Customer's location for two or more technical skill sets; electrical, telecommunications, IT and security equipment and systems.	A comprehensive Plan covering all equipment and systems. Includes Account Management, regular service and maintenance schedules and services usage reports and analysis.
Facilities Management Plan	The management and provision of all electrical, telecommunications, IT and security equipment and systems services, including regular reports, analysis and recommendations on servicing improvements and cost reductions.	An expansion of the Integrated Services Plan to include active management of equipment, system and facility services and maintenance requirements. The focus is on recommendations to reduce servicing costs and improving operational efficiency.
Special Services Plan	The provision of specialist technical services knowledge, skills and experience to a Customer over a period of time. Technicians may require overseas training or special tools under this Plan.	Covers requirements related to specialised Customer owned equipment, systems and/or facilities. May include unique services that are particular to one-off equipment or applications.
Performance-based Services Plan	The management and provision of services at the Customer's location, including benchmarking of servicing outputs and a performance-based payment structure.	Applicable to Customers that provide service to their Customers using IndeServe as the 'servicing agent'. Payment is based on performance and end-Customer satisfaction.
Equipment Service Plan	A Plan for the maintenance and support of equipment only. This may apply to new or existing equipment, eg, workstations, printers, UPSs, emergency power, air conditioning or generators.	This Plan may include the installation, service and routine maintenance of mission critical equipment, including quick response times and 24 by 7 availability of a technician.
System Maintenance Plan	The management and provision of maintenance services for a total system, eg, power systems, data storage systems or a collection of equipment designated as a system.	Similar to the Equipment Service Plan, but a broader scope of work. May require remote diagnostics and monitoring, end-to-end coordination of problem solving and nationwide system services management.

About the Facilities Management Plan

The Facilities Management Plan addresses the servicing requirements of Corporate, Government and general business Customers that have servicing needs across a range of equipment and facilities related to telecommunications, IT networks, electricity provisioning and security systems. Facilities management includes the day-to-day service requirements of all equipment, systems and facilities that support the primary business of Corporations, Government and businesses. The Facilities Management Plan is an extension of the Integrated Services Plan by including; regular reports, analysis and recommendations on servicing improvements and cost reductions. Programmed maintenance is a key element in the Plan to minimise the total cost of ownership of expensive assets. All equipment and facilities covered by the Plan are effectively managed by IndeServe for maximum up time and peak performance.

The Facilities Management Plan achieves five goals:

1. Provides a clear statement on the rights and obligations of both parties, so that each party knows their responsibilities and what benefits each party will receive in return.

2. Sets out the plan and timetable that will apply to the delivery and implementation of the services specified in the Plan.
3. Provides a clear procedure for the parties to control changes to the services provided, and agree on the impact that any changes will have on the timetable and the price.
4. Sets out the basis by which the Customer shall accept when the service provider has completed service delivery as specified and the payment that will then apply.
5. Defines the procedures to resolve any disputes promptly and provides effective and commercially realistic remedies for both parties in the event of contractual default by the other.

Adopting an Facilities Management Plan is a rational approach to solving the common problem of maximising the useable time and hence the return on capital assets by keeping the assets working as intended.

Facilities Management Agreement

In the past the Customer would have specified the equipment and/or facilities to be serviced, determined the servicing schedule, written the service procedures and detailed the report format expected. Today with a Facilities Management Agreement in place the Customer doesn't need to specify the material, personnel or practices only the outcomes expected, eg, 24/7 service availability, computers and printers repaired within 2 hours, all lights working, the correct room temperature, a telephone connected within 24 hours, UPSs to work when required, fire alarms checked as specified and all building access cards to be accounted for. The Facilities Management Agreement covers all of these services for; a single office building, a large campus of buildings, a national portfolio of facilities or a Government department or organisation.

How the Facilities Management Agreement Works

The Agreement applies to all common services used in a normal business office or environment anywhere in the country. You are able to book service jobs on the Internet using IndeServe's *E Serve* or call the National Service Centre if you need to explain a problem more fully. If the problem has a technical component you can call IndeServe's Technical Helpdesk and speak to a qualified technician. You can have any response time your business requires; IndeServe has locations in 14 cities around the country. The service is carried out on your premise and to your satisfaction, you sign the completed job card when the technician finishes the job.

No other company in New Zealand offers as comprehensive a range of services as IndeServe. We are your company's "service arm or department"; easy to deal with via the web or over the telephone, conveniently located, technically competent and professionally operated.

SAMPLE

FACILITIES MANAGEMENT AGREEMENT

AGREEMENT made this ____ day of _____ in the year _____

Between _____ the "Customer"

and _____ the "Service Provider"

PREAMBLE

The intent of the Agreement is for the Customer to obtain Services from the Service Provider. The Service Provider shall provide the Services shown in Schedule A within the Service Level and Response Time in Schedule C at the charges shown in Schedule D and report in accordance with Schedule F of the Agreement.

DEFINITIONS

Agreement - this Agreement including all attached Schedules.

Agreement Officer - the Customer's employee responsible for executing/administrating the Agreement and providing direction to the Service Provider.

Change Request - a request by either party in writing to the other party for any changes to the Services as set out in Schedule A.

Commencement Date - the date this Agreement is signed by the Customer and the Services will commence.

Documentation – as-built drawings, network diagrams, manuals, handbooks maintenance libraries and other written material, schematics or pictorial information required to deliver the Services or as required by the Customer. The documentation to be provided under this Agreement by the Service Provider is specified in Schedule E.

Equipment – the goods, products, hardware, accessories and other items used by the Customer in the process of carrying out business that are covered by this Agreement as specified in Schedule B.

Facility – the buildings, premises, offices and other sites used by the Customer in the process of carrying out business that are covered by this Agreement as specified in Schedule B.

Maintenance - services that are periodic in nature and are required to maintain the equipment in such condition that it may be operated in accordance with its intended design and functional capacity with minimal incidence of malfunction or inoperative conditions.

Original Equipment Manufacturer (OEM) - the actual manufacturer and point of origin of the equipment.

Response Time - the time taken between the receipt of a service call and the Service Provider commencing to rectify the service problem. The Service Provider shall be deemed to have responded to a service problem reported upon:

1. Provision of advice to the Customer that action has commenced to provide the Service, or
2. A site visit is required; and a Technician has been dispatched.

Schedules – the schedules identified in this Agreement and incorporated in this Agreement

Service Levels - the standards and measures for the Services as agreed by both parties and detailed in Schedule C.

Service Representative - an individual assigned by the Service Provider who shall have full authority to act for the Service Provider on all Agreement matters that relate to the daily operations of the Agreement.

Service Restoration - the Equipment or Facility is serviced sufficiently to enable the Customer to resume use of the Equipment or Facility. In some cases a temporary repair may be performed to enable service to commence before a permanent repair is effected.

Services - means the repair and maintenance services to be provided by the Service Provider as set out in Schedule A or subsequently agreed to between both parties;

Technician - a person who is authorised by the Service Provider to perform Services on Equipment or a Facility.

GENERAL REQUIREMENTS

The Service Provider agrees to provide and the Customer agrees to pay for the Services specified in Schedule A on the terms and conditions as set out in this Agreement. The Service Provider shall meet the Service Levels and Response Time as set out in Schedule C for the provision of Services.

The Service Provider shall provide all labour, supervision, tools, materials and transportation necessary to maintain the Equipment and Facilities listed in Schedule B, including staffing a service desk in business hours.

a. The Service Provider shall provide personnel experienced and qualified to perform the required Services in accordance with industry practices and OEM standards.

b. Under certain conditions, equipment malfunctions can occur and the exact cause of the malfunction is difficult to determine. In these situations the Service Provider shall be responsible for determining and implementing an appropriate solution in consultation with the Customer.

This Agreement and the plan and timetable for supply of Services is set out in the following Schedules:

- Schedule A – Services
- Schedule B – Equipment and Facilities
- Schedule C – Service Levels and Response Time
- Schedule D – Service Charges
- Schedule E – Documentation
- Schedule F – Reporting Requirements

CHANGE REQUEST PROCEDURE

Both parties may request in writing to the other party any Change Request to the Services as set out in Schedule A. A Change Request may be made at any time during the term of this Agreement. The Service Provider will assess and document the impact of any Change Request and set out for the Customer any changes to the Service prices. All Change Requests shall take effect when signed by both parties and the signed Change Requests shall be deemed to be part of this Agreement.

TERM

The Agreement shall commence on the Commencement Date and shall continue for an initial period of 2 years from this date unless otherwise terminated by either party. If not terminated, the Agreement will automatically rollover for a further 2 year period.

CHARGES AND PAYMENTS

The charges that apply for the Services delivered by the Service Provider under this Agreement are set out in Schedule D. Any other services required from, or offered by the Service Provider that are not included in Schedule D will be provided at the Service Provider's usual rates and charges for such services.

The Service Provider shall invoice the Customer monthly for the Services supplied and payment will become due on the 20th of the following month.

SERVICE LEVELS AND RESPONSE TIME

The Service Provider shall begin the provision of Services on the designated Equipment and Facilities within the Response Time specified in Schedule C as soon as the Agreement Officer or his/her authorised representative notifies the Service Provider that Service is required. In the aggregate, the Service Provider is required to perform the Services within the agreed Service Levels. The Agreement Officer reserves the right to contact another service provider for the Service, should the Service Provider fail to be on-site within the Response Time. The Service Provider will be responsible for all charges incurred for such services provided by another party.

The Service Provider shall appoint a Service Representative as the designated point of contact for the Customer for all matters related to this Agreement.

ADDITIONAL SERVICES

Additional Equipment or Facilities

During the term of this Agreement, the Customer may at its option, add equipment or facilities to this Agreement. Service charges for the added equipment or facilities are:

- a. For the same type of equipment and facilities, the charges specified in the Agreement; or
- b. For equipment or facilities not specified in the Agreement, a mutually agreed upon charge no greater than the Service Provider's usual charges for similar services shall apply.

Maintenance

The Service Provider shall specify in writing the frequency and duration of the maintenance required for the Equipment and Facilities listed in Schedule B. The Customer must approve the maintenance requirements in writing prior to the work being performed. Maintenance shall be scheduled, if practical, so as not to interfere with Customer operations.

EQUIPMENT AND FACILITY MONITORING REQUIREMENTS

At the intervals specified in Schedule F, the Service Provider shall submit written status reports that include, as a minimum, the following:

- Overall status of all Equipment and Facilities covered under this Agreement
- Details of any failures and/or repairs performed during the intervals
- Any other items relevant to maintaining the Equipment or Facilities

SERVICE PROVIDER QUALITY CONTROL

The Service Provider shall establish and maintain a quality control program in accordance with ISO 9001 or ISO 9002. The Service Provider is required to perform all inspections to verify compliance with the quality standards at its own cost.

SERVICE WARRANTY

The Service Provider will provide a 30 days warranty for all Services and Maintenance work completed. Should any service failure be reported within 30 days of the work being completed and that failure was identified as a result of the work completed, then Service Restoration will be at the Service Provider's cost.

The Service Provider warrants that:

- it will carry out its obligations with care, skill and diligence and shall employ techniques, methods and procedures of a quality and integrated in accordance with currently accepted industry practice;
- it has the full power and authority to enter into and perform this Agreement and that performance of its obligations will not conflict with any obligation or duty owed to any third party or infringe the rights of any third party.

RESPONSIBILITIES OF THE CUSTOMER

Customer shall not perform service, maintenance or attempt repairs to Equipment or Facilities directly or using a third party while such Equipment or Facilities are under the purview of this Agreement, unless agreed to by the Service Provider.

The Customer shall provide service manuals and service diagnostic software to the Service Provider if available. The Service Provider shall obtain, have on file, and make available to Technicians all operational and technical documentation, eg, operational and service manuals, schematics, and parts list, which are necessary to meet the performance requirements of this Agreement.

SERVICE PROVIDER RESPONSIBILITY

The trade tools and materials necessary to perform the Services as required or ordered under this Agreement shall be furnished, maintained, and operated by the Service Provider.

The Service Provider shall maintain access to readily available spare and repair parts and such items and instruments as necessary to maintain the Equipment and Facilities for the life of the Agreement. All spare parts and materials supplied or used in performing the Services shall be invoiced to the Customer in accordance with the charges in Schedule D.

The Service Provider may subcontract the provision of Services to another party if that party has the necessary skills and experience and has agreed with the Service Provider to implement their services in accordance with this Agreement.

TERMINATION

Immediate Termination

Either party may terminate this Agreement forthwith if the other party:

- is declared bankrupt, goes into liquidation, or
- a receiver or a receiver and manager or statutory receiver is appointed in respect of it.

Termination by Either Party on Notice

Either party may terminate the Agreement, if one party defaults in the performance of any of its obligations and the default is capable of being remedied, and, within ten (10) working days of notice by the non-defaulting party specifying the default is not remedied.

On termination of this Agreement for any reason, the Service Provider will return to the Customer the following:

- all of the Customer's data;
- all documentation;
- all security and access keys or codes that apply to the Service;
- any third party service agreement provided in relation to the Service.

The Service Provider will within 10 days of termination, certify in writing to the Customer that it has erased or returned any copies of the Customer's data held off-site.

Each party agrees to return to the other party any other property belonging to the other party acquired during the period of this Agreement.

DISPUTES AND REMEDIES

The parties agree to use their best efforts to resolve any dispute, which may arise under the Agreement through good faith negotiations.

Any dispute arising under this Agreement which cannot be settled by negotiation between the parties or their respective representatives shall be submitted to mediation before commencing any litigation. Either party may initiate mediation by giving written notice to the other party.

If the parties can not agree a mediator within two working days of the notice, then the mediator will be selected by the President of the New Zealand Law Society. The parties shall continue to perform their obligations under the Agreement as far as possible as if no dispute had arisen pending the final settlement of any matter referred to mediation.

Nothing in this clause shall preclude either party from taking immediate steps to seek urgent equitable relief before a New Zealand Court.

CONFIDENTIALITY

Both parties agree that, unless they have the prior written consent of the other, they will not use or disclose to any third party (other than for the purpose of performing this Agreement) the terms and conditions of this Agreement or any information confidential to the other party. The obligations shall survive termination or cancellation of this Agreement.

INTELLECTUAL PROPERTY RIGHTS INDEMNITY

Each party agrees to indemnify the other party from and against any claim, suit, action or proceeding (collectively called "Action") brought against the other party to the extent that such Action is based on a claim that any products or services provided by the other party infringes any patent, copyright, trade secret or other proprietary right provided that:

- the party claiming an indemnity fully co-operates with the indemnifying party in defending or settling the Action and makes its employees available to give statements, advice and evidence as the indemnifying party may reasonably request;
- the indemnifying party is notified promptly in writing of any Action by the party claiming the indemnity and is given complete authority and information required for the conduct of the defence or settlement of the Action;
- the indemnifying party shall have the sole control of the conduct of any Action and all negotiations for its settlement, compromise or resolution.

LIMITATION OF LIABILITY

This Agreement replaces all other representations or warranties (statutory, express or implied) and all such representations and warranties (save any that may not lawfully be excluded) are expressly excluded, including, without limitation, the implied warranties of merchantability and fitness for any particular purpose. The Service Provider will under no circumstances be liable under the law of tort, contract or otherwise for any loss of profits or savings or for any indirect or consequential loss or damage, however caused, arising out of or in connection with the performance or non-performance of this Agreement.

The Service Provider's liability to the Customer arising out of any claim for damages for any cause whatsoever will under no circumstances exceed in aggregate the greater of:

- the total amount of the sums actually paid to the Service Provider for the Services for the 12 month period prior to the date of the claim.
- No action arising out of this Agreement, regardless of form, may be brought by either party more than two years after the party bringing the action became aware, or reasonably ought to have been aware, of the circumstances giving rise to the action.

FORCE MAJEURE

Neither party will be liable for any act, omission, or failure to fulfil its obligations under this Agreement if such act, omission or failure arises from any cause reasonably beyond its control including acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental action after the date of this Agreement, fire, communication line failures, power failures, earthquakes or other disasters (called "Force Majeure").

The party unable to fulfil its obligations due to Force Majeure will immediately:

- notify the other in writing of the reasons for its failure to fulfil its obligations and the effect of such failure;
- use all responsible endeavours to avoid or remove the cause and perform its obligations.

WAIVER

No delay, neglect or forbearance by either party in enforcing against the other any provision of this Agreement will be a waiver, or in any way prejudice any right, of that party.

SEVERABILITY

If any provision of this Agreement is held to be invalid, illegal or unenforceable, such provision will be severed and the remainder of the Agreement will remain in full force and effect.

NOTICES

Any notice given pursuant to this Agreement will be sufficiently given if it is in writing and delivered, or sent by prepaid post or facsimile to the other party at the address as shown below:

The Agreement Officer contact name and address is:

Name:
Address:
Telephone:
Facsimile:
Email:

The Service Representative contact name and address is:

Name:
Address:
Telephone:
Facsimile:
Email:

ASSIGNMENT

Neither party may assign, transfer or subcontract its rights or obligations under this Agreement without the prior written consent of the other party, which may not be unreasonably withheld.

RECRUITMENT

Neither party will recruit or employ by any means whether directly or indirectly any staff members engaged by the other party during the term of this Agreement or within six months of that person leaving the other party, without the prior written agreement of the other party.

AMENDMENTS

Any modification to or variation of this Agreement must be in writing and signed by authorised representatives of the Service Provider and the Customer.

ENTIRE AGREEMENT

The parties acknowledge that this Agreement contains the whole of the contract and understanding between them. There are no conditions, warranties or other understandings affecting the arrangements between the parties other than those set out herein and this Agreement replaces all prior Agreements and understandings with respect to the subject matter of this Agreement.

EXECUTED as an Agreement on the first date written below.

SIGNED on behalf of the Customer:

SIGNED on behalf of the Service Provider:

Company Name

Company Name

By:

By:

Signature

Signature

Name

Name

Title

Title

Date

Date

SCHEDULE A

SERVICES

Service Requirements

The following is a list of the general Services to be provided by the Service Provider:

- (Actual list to be supplied by the Customer)

Examples are:

- Site audits
- Building cabling
- PABX programming
- Computer networks and equipment
- Back-up power supply – UPS and batteries
- Product warranty management
- Electrical and emergency lighting
- Air conditioning and mechanical services
- General building and handyman services
- Maintenance management
- Asset allocation and tracking
- Fire alarms
- Plumbing
- Cleaning and waste disposal
- Care of grounds
- Pest control

Maintenance Requirements

The following is a list of the maintenance Services to be supplied by the Service Provider:

- (Actual list to be supplied by the Customer)

Examples are:

- Patch panel checks
- UPS battery checks
- IQP warrants
- Emergency lighting checks
- Fire extinguisher checks
- Air conditioner filter checks

SCHEDULE B

EQUIPMENT AND FACILITIES

This Schedule lists the equipment and facilities to be serviced and maintained by the Service Provider under this Agreement. Overall the service provided shall be in accordance with the parameters set out in Service Levels and Response Time in Schedule B.

Equipment Covered by the Agreement

- (Actual list to be supplied by the Customer)

Examples are:

- Servers, routers, hubs, switches
- Telephones, modems and PABXs
- Printers and facsimiles
- Copiers
- Heaters and air conditioning equipment
- Lighting
- Fire alarms
- Security hardware and software

Facilities Covered by the Agreement

- (Actual list to be supplied by the Customer)

Example is:

- all offices nationwide

SCHEDULE C

SERVICE LEVELS AND RESPONSE TIME

Service Level Requirements

Overall service level performance targets are to achieve:

Examples are:

- 95% of service orders confirmed as received and assigned by close of business on the day the order is received by the Service Provider
- 85% of services orders to be completed by the end of the next business day

Maintenance performance target is to achieve:

Example is:

- 95% of maintenance schedules performed in accordance with OEM and Customer requirements

Service Response Time

Response time performance targets are to achieve:

Examples are:

- A Technician on-site within 1 hour in an emergency situation in the main cities and 4 hours anywhere outside of the main cities after being notified of the emergency.
- A Technician on-site no later than the next business day to perform non-urgent service.
- Services will be available 24 hours a day and 7 days a week.

SCHEDULE D

SERVICE CHARGES

Examples are:

<i>Service Activity</i>	<i>Service Charge</i>	<i>Work Unit</i>
Site visit fee in major centres, covers vehicle and parking charges within a 20 KM radius of the CBD in Auckland, Wellington, Christchurch, Dunedin, New Plymouth, Tauranga, Whangarei, Nelson, Palmerston North, Napier, Gisborne and Hamilton	TBD	per Visit
Site visit fee covering vehicle and parking charges outside of the major centres	TBD	per Visit
Integrated labour of a qualified Technician	TBD	per Hour
After hours labour of a qualified Technician	TBD	per Hour
All parts provided at recommended OEM prices	TBD	TBD
All materials provided at recommended trade prices	TBD	TBD

All charges are fixed for a period of 2 years. On each annual renewal date the Service Provider and Customer must agree the service charges for the next 2 years, otherwise the charges will remain the same. All service charges are exclusive of GST.

The charges above apply to Services provided during normal business hours of 8 am to 5 pm Monday to Friday. Services provided outside of these hours will be invoiced at the after hours service charge.

SCHEDULE E

DOCUMENTATION

The following is a list of the documentation to be supplied by the Service Provider:

- (Actual list to be supplied by the Customer)

Examples are:

- Site audits
- Building cabling as-builts
- Computer networks and equipment diagrams
- Back-up power supply – UPS and batteries maintenance schedule and reports
- Equipment warranty and out-of warranty service reports
- Electrical and emergency lighting inspection reports
- Air conditioning and heating services maintenance schedule and reports
- Air quality control inspection reports
- Asset location and tracking diagrams
- Fire alarms inspection reports
- Plumbing inspection reports
- Cleaning and waste disposal schedule and reports
- Care of grounds schedule and reports
- Pest control inspection reports

SCHEDULE F

REPORTING REQUIREMENTS

Monthly Performance Report

The Service Provider will provide a monthly Service Performance Report containing a:

- brief assessment of their performance against targets
- comment on performance of job procedures and issues
- comment on performance of technical support requirements and issues
- details of actions taken or referenced to correspondence
- accident/ Incidents in the month
- hazards identified in the month

Quarterly Performance Report

The Customer may provide to the Service Provider a Quarterly Performance Report following the end of the quarter similar to the staff survey sample below.

<i>Staff Survey Questions</i>	<i>Service Provider Performance Target</i>	<i>Number of Staff Surveys</i>	<i>Number of Surveys Achieved Favourable Response</i>	<i>Percentage of Surveys Achieved Favourable Response</i>
Arrive as expected	95% favourable	TBD	TBD	TBD
Complete the service on time	95% favourable	TBD	TBD	TBD
Inform the Customer of completion	95% favourable	TBD	TBD	TBD
Follow the service procedure	95% favourable	TBD	TBD	TBD

Quarterly Performance Review Process

A quarterly review process will be conducted jointly with the Customer and the Service Provider to review performance and action points, discuss issues and achievements, formulate business improvement opportunities and action plans.