

Schindler Modernization Proposal

Taking our relationship to the top



Samuel Bruno Schindler Elevator Corporation 12961 Park Central Suite 1460 San Antonio, TX 78216-2073

RE: Elevator Modernization Proposal Webb County Billy Hall 1 & 2 Laredo, TX 78040 Proposal SPOS-BSFPFQ

Dear Mr. Jose Luiz Neira,

Schindler Elevator Corporation is very grateful for the opportunity to provide you with our proposal to modernize the elevator system at Webb County (ml). Schindler is an industry leader in vertical transportation systems with 140 years of experience and over 60,000 employees globally. As our customer, you can be certain the new elevator system will incorporate state of the art technology with the support and expertise to ensure reliable and safe operation for the life of your elevator equipment.

Schindler is proud to be the worldwide leader in escalators and the second largest installer of elevators globally. We move over one billion people per day on Schindler elevators and escalators. We are proposing Schindler's Elevator system for your property. This system's benefits are detailed in the following proposal.

Safety is the top priority for Schindler in everything we do. You can be assured Schindler provides products that meet the most stringent safety requirements in the industry. Our employee and public safety programs are of utmost importance and are non-negotiable items for each and every Schindler employee.

Our sustainability over the past 140 years is a result of our commitment to customer service, innovation and service excellence. Schindler Ahead, our predictive analytics platform, which is now available with each Schindler controller, is our continued commitment to leadership in innovation and customer service.

We thank you, again, for this opportunity and we look forward to discussing our proposal with you at your earliest convenience. You can reach me on my phone at 361-402-5929.

Best regards,

Samuel Bruno Schindler Elevator Corporation 12961 Park Central Suite 1460 San Antonio, TX 78216-2073 361-402-5929





Schindler Elevator Corporation A partnership which takes you to the top

Leadership through service

Schindler's company vision, "leadership through service," serves as our guiding principle throughout each customer relationship. To achieve that vision, employees throughout our organization put these values into practice every day:

- ☐ As a premier total service company, we at Schindler live values that provide our customers with outstanding service as well as world class products.
- ☐ We are passionate service providers to both our internal and external customers.
- ☐ Every business process is designed to best serve our customers.

Throughout our history, Schindler has strived to demonstrate these values on every project. We now look forward to continuing our partnership with our modernization package offer. We are committed to providing you with industry leading products with an option for a payment plan over time* that builds from our long-term commitment to you as our customer.

The Schindler management and engineering team has developed this project plan to provide you with an overview of our approach to make your property a successful project.

* Subject to proper credit approval.







The Challenge of Obsolescence

Obsolescence Challenges

All mechanical and electrical components wear with use over time. For this reason, we only see automobiles over 25 years old in the classic car grouping. The computer age brought us great advancements which have accelerated rapidly over the past 10 years pushing many older computer technologies to the side. In similar fashion, elevators over 25 years old face these same challenges. The above noted mechanical and electrical systems over 25 years old pose many of the following issues:

- · Reliability Challenges
- Higher maintenance costs
- · Limited or rebuilt only parts availability
- · Higher potential liability exposure
- · Higher operating costs

Schindler's Unique Offer

Schindler values our relationships with all of our customers and works to provide creative solutions to our customers which benefit both the customer and Schindler. Our traction elevator modernization package offer is one such unique opportunity for Schindler to partner with you, our customer. We understand the cost of an elevator modernization along with the other building cost upgrades required with a modernization can be a serious burden on a property

- 60- or 72-month payment options for those with approved credit.
- Enhanced package Schindler Ahead and Action Board included with your service agreement which provides advanced diagnostic and elevated customer service tools for your property.
- Schindler TX package provides an industry leading control and drive system, greatly improved energy efficiency, reliability and ride quality.



Hydro Package will provide:

Enhanced performance and reliability

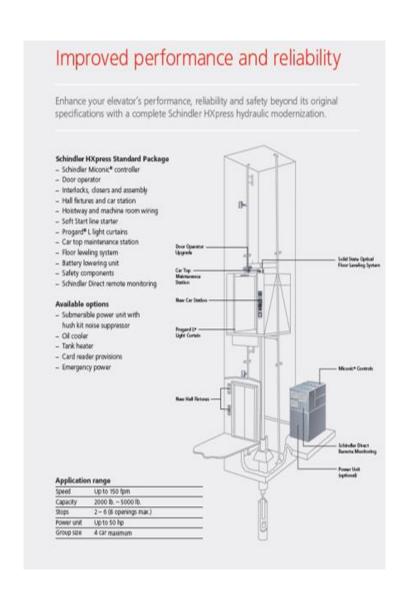
Ensures a higher level of passenger satisfaction with a smoother riding experience

Greater sustainability and efficiency

Delivers cutting-edge technologies to significantly reduce energy consumption and costs

Improved safety and code compliance

Employs the latest equipment designs with advanced safety features.



Schindler Advantage

Safety & Reliability

- Leveling accuracy within 1/8 inch of floor landing.
- Speed and unintended movement detection inhibiting the elevator motion when out of code allowable limits.
- Closed loop door controls ensuring safe and smooth door operation within code limits.

Control & Drive

- Market leader hydraulic package in North America for over 15 years. Parts support and technical expertise can be assured for many years into the future.
- Soft Start Kit reduces power surge and power consumption. Hush Kit reduces sound level from power unit.

Fixtures

• Durable vandal resistant, aesthetically pleasing fixtures with LCD displays.

Door Operation

- Minimal moving parts mean higher reliability and less maintenance.
- No lubrication means less problems due to dust and lint accumulation.
- Less moving parts and closed loopfeedback equal smoother and quieter performance.
- Robust motor design means our system will perform to standards under all door conditions.

Schindler Ahead

- All units equipped with Schindler Ahead advanced diagnostics. Diagnoses problems quicker with predictive maintenance platform. Action Board mobile reporting for the customer.
- Digital Alarm available to replace more expensive 24-hour emergency monitoring services.



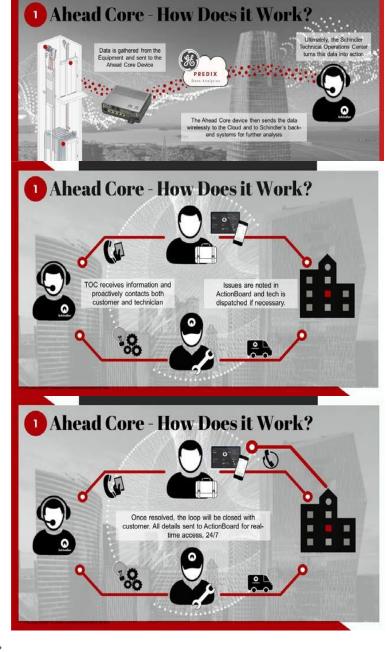


The Internet of Elevators & Escalators

CONNECTING THE DOTS.

Imagine a platform where all involved parties are connected and necessary information is shared in real-time. Schindler Ahead connects equipment, customers, passengers with Schindler Contact Centers and technicians via its digital closed-loop platform.

Schindler Ahead is included as part of your modernization package. See Terms and Conditions within this proposal for details.







Your property will be maintained by the most highly trained men and women in the industry, who are armed with leading- edge technology and a culture of service excellence.

Global support

As a global enterprise, Schindler service technicians are at work in more than 140 countries on five continents. A substantial research and development effort supports their continued effectiveness, bringing new safety and performance innovations to market. Employing best practices in manufacturing helps to ensure Schindler technicians are servicing the industry's highest quality systems.

National support

If an elevator needs unscheduled service, customers across the country simply call the Schindler Customer Service Network. The technician receives a message on FieldLink from the customer service representative, is alerted to the problem and responds with an estimated time of arrival. This information is immediately relayed to the customer. When systems are equipped with Schindler Remote Monitoring™, technicians can be dispatched to the site to address subtle changes in performance, often before a problem ever develops.

At the national level, Schindler also has product line, service and modernization engineers who coordinate their efforts to help ensure that the reliability built into Schindler's equipment is maintained through every stage of an elevator's life cycle. Their knowledge is shared with the technicians at the Center for Service Excellence that provides training, technical expertise and sales support in all areas of maintenance and repair for elevators, escalators and moving walks. As a pioneer in dedicated service for all brands of vertical transportation equipment, Schindler expertise is unmatched. The Center for Service Excellence is the premier service support center in the industry.

Regional support

Schindler's Region Operation will continue to support the local organization. When unusual or complex situations arise, the Schindler service technicians can reach out to their regional service operations manager, field engineers and subject experts, who are always ready to provide in-depth technical assistance. They can support the technician with decades of maintenance experience covering all types of systems and brands of equipment.

Local support

Every Schindler service technician is equipped with FieldLink™ a fully functional handheld PC, cell phone, dispatch device, troubleshooting tool, parts database and service manual all rolled into one. This amazing device gives technicians immediate access to the complete service history, special needs and repair routines for every piece of equipment they maintain. With the aid of an advanced interactive software program called OSCAR, technicians can quickly identify the most likely source of the problem and fix it right the first time. If necessary, they can even order parts right from the job site or request advanced technical support from a field superintendent and local adjuster.



Overview of the Field Safety Program

Schindler's Field Safety Program has been developed to provide our customers with the necessary information regarding our efforts to reduce accidents and maintain compliance with applicable safety regulations.

The goals of Schindler's Field Safety Program are to reduce the incidence of workplace injuries and illnesses and maintain compliance with all applicable safety regulations. These goals are carried out through established company safety procedures and employee training. We continuously monitor the success of the Field Safety Program by tracking accident reduction efforts, workers' compensation accident costs, number of accidents, near miss analysis and employee training.

Schindler maintains safety procedures/programs designed to ensure the success of the Field Safety Program. The following elements are included:

- ↑ Guidelines for safe work practices
- Accident reporting and investigation procedures
- YOSHA Required Training Programs (i.e.: Fall Protection, Scaffolds, Hazard Communication, Electrical)
- Schindler Elevator Corporation safety training programs
- ↑ Employee disciplinary procedures
- Substance abuse testing guidelines
- ↑ Subcontractor safety and insurance requirements
- Emergency and first aid procedures
- New employee safety orientation
- Fire protection measures
- ↑ Personal Protective Equipment (PPE) requirements
- Proper mechanical and manual materials handling
- Fleet safety policies and training
- ↑ Guidelines for working in buildings where asbestos may be present
- Schindler maintains written programs for Hazard Communication, Fall Protection, Confined Space, Lockout/Tagout, Respiratory Protection and Scaffolding and other OSHA-required training programs.

Safety training

Schindler maintains an on-going safety training program for all field employees to ensure that all have been trained in the safe execution of their work assignments. This training includes the following:

- Safe work practices
- Recognition and abatement of unsafe conditions
- How to prevent common causes of accidents (i.e., back injuries)
- \ Hazard Communication/handling of hazardous materials
- Control of electrical hazards
- Proper materials storage and handling

In addition to training received directly from Schindler, all field employees are provided training on safe work practices educational program (National Elevator Industry Education program).

With U.S. headquarters in Morristown, New Jersey, and Canadian headquarters in Toronto, Ontario, Schindler Elevator Corporation is the North American operating entity of the Switzerland-based Schindler Group.

Schindler is one of the leading global manufacturers of elevators, escalators and moving walks. Schindler employs over 5,000 people in more than 250 locations in North America.

Founded in 1874 in Lucerne, Switzerland, by precision engineer Robert Schindler, it is a closely held company and is listed on the Swiss stock exchange.

Schindler manufactures, installs, maintains and modernizes mobility solutions for almost every type of building requirement worldwide. The company specializes in latest-technology engineering, as well as mechanical and micro-technology products designed and rigorously tested for comfort, efficiency and reliability.

Schindler products can be found in many well-known buildings throughout North America, including office buildings, airports, shopping centers/retail establishments and specialty buildings





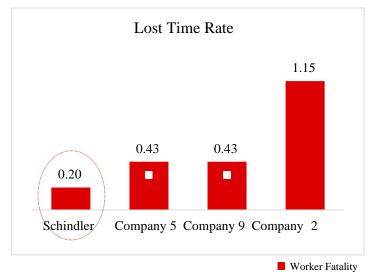


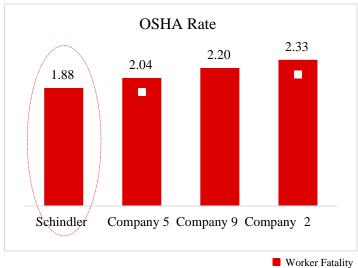


NEII Safety Statistics Lost Time Incidence Rate



NEII Safety Statistics Total Recordable Rate





Page 11 of 22 Date 8/20/2020

Project Scope - Bank A

Number of Units	2	Capacity	2500
Type	HX	Speed	150
Unit Numbers	01,02	# of stops	3
Jack Type	Borehole	# of openings	1 Front 0 Rear

Description of Work	Туре	Option
Machine Room Control and Power Unit (Control, Power Unit, Valve, Pump, Pump Motor, Muffler, HFI, CFI,	HX Controller + Power Unit	New
Hush Kit) Schindler Ahead		New
Governor Building Emergency Power Interface Battery Lowering Code Blue Oil Cooling Unit Oil Feed Line Tank Heater Rupture Valve Machine Room Wiring	HX	New NA NA New Reuse Reuse NA New
Door Operator Door Operator: Front Clutch: Front Clutch: Rear Door Restrictors Door Gibs Door Fire Tabs Electronic Door Detector: Front Electronic Door Detector: Rear	GAL MOVFE - 1SSO Mechanical Angles & Vanes Cedes Minimax 159 Light Curtain	New New NA New New New New NA
Hoistway Door Equipment Door Tracks Door Hangers Pickup Assemblies Spirators Sill Closers Door Interlocks	GAL - 1SSO / 2SSO GAL - 1SSO / 2SSO	Reuse Reuse New NA Reuse New
Car and Hall Fixtures Code Compliant Main COP Code Compliant Aux COP Car PI Car Lantern Hall Lantern Hall Position Indication Access Switch Hall Pushbutton Station Fixture Finish	QPAC (Includes COP Wiring Kit) QPAC - In COP QPAC - Car Lantern QPAC - Top & Bottom Jamb QPAC - Surface #4 Stainless Steel	New NA New NA NA NA New New New
Car and Hoistway		

Page 12 of 22 Date 8/20/2020

Hoistway Wiring Car Top Inspection Station and Work Light Car top railing Cab fan Car Door: Front Car Door: Rear Car roller guides Spring Buffers Car Rails Car top sheave	Traveling Cable + Hoistway Wiring HX Front Opening	New New New Reuse NA Reuse Reuse Reuse NA
Cab Interior		Reuse
Cab Allowance	\$0 PER CAB	NA
Jack Assembly Packing		Reuse Reuse

All other systems and components not noted above will be reused and integrated into the new elevator system.

Page 13 of 22 Date 8/20/2020

SCHINDLER AHEAD

Your Schindler Modernization package comes enabled with Schindler Ahead. The Schindler Ahead Hardware provides remote connectivity to your equipment and will automatically notify us if any connected component or function is operating outside established parameters. When appropriate, we will communicate with you to schedule service calls.

Monitoring will be performed 24/7 and will automatically communicate with our Customer Service Network using dedicated wireless cellular technology. Schindler will make every reasonable effort to maintain wireless connectivity.

Schindler Ahead has three service tiers to fit your individual needs. The tiers are Connect, Enhanced, and Premium. As part of your service agreement, Schindler includes the Enhanced Package upon completion and turnover of the last unit with details as noted herein This cost is broken out as part of the total monthly maintenance cost of your service agreement.

Connect – Schindler's Connect package provides wireless cellular communication from your equipment's controller to Schindler's data network. This allows the Schindler Cube to be connected to your equipment 24/7. Connect also provides access to the basic features of ActionBoard and ActionBoard Mobile, giving you real time information on your equipment.

Enhanced – The Enhanced Package includes the features of Connect, plus access to Schindler's Elevated Support Professional (ESP) Team. This team analyzes information gathered by Schindler Ahead, which improves the reliability of your equipment and improves the response time. The ESP Team can alert you when a shutdown is detected, helps confirm issues remotely, and provides real-time ETAs for technicians en route. With these enhanced diagnostics, we can guarantee that you will not be charged for Running on Arrival calls. Under the "No Running on Arrival Guarantee," Schindler will fully cover the cost of any callback related to the following situations: Elevator or Escalator Running in normal operation, or running under any of the following special services modes: Independent service, Fireman's service (Phase I or Phase II), or Inspection operation. All other callbacks will be billed as outlined in the service agreement.

Premium – The premium package is our top tier and was created for customers requiring the most comprehensive level of service. Our premium package offers the highest level of functionality and support. The Premium tier also includes concierge level assistance for all of your service needs.

The Enhanced Package and Premium include access to **Schindler ActionBoard and ActionBoard Mobile**, which are communication technologies that provide access to real-time information about your equipment. Some of the available information includes: performance history, reports, push notifications, service call records, unit profiles and more.

Additionally, Schindler Ahead enables the option to add **Digital Alarm**, a cellular emergency phone monitoring service, to any tier. This service includes a reliable cellular connection that allows incoming and outgoing emergency calls from the elevator cab and eliminates the need for a traditional analog phoneline.

Page 14 of 22 Date 8/20/2020

Work by Others

The owner will provide the following requirements based on ANSI A17.1 Code, the governing code, except when applicable codes conflict with ANSI A17.1 Code. Rules referenced are ANSI A17.1 Rules.

Hoistway

- 1. Provide 75-degree bevel guards on all projections, recesses or setbacks over two inches, except for the loading or unloading side. Rule 100.6.
- 2. Provide pit light and GFI outlet. Light switch to be located adjacent to each pit entrance.
- 3. Provide a legal hoistway inclusive of ventilation and shaftway bevel guards, as required.
- 4. Cutting and patching walls and floors.
- 5. Provide a pit access ladder for each elevator, where required.
- 6. Provide a lockable, self-closing, fire-rated pit door, where required.
- 7. Hoistway venting or pressurization to prevent accumulation of smoke and gas, as required by Local Building Code.

Machine Room

- 1. Enclose/relocate all non-elevator oriented conduit, ducts and drains from elevator machine room, where required in the machine hoistway and/or pit. Enclosures, when used, need to be two-hour rated.
- 2. Provide means to regulate control room temperature and humidity between 55° F and 90° F with relative humidity no more than 85% non-condensing. Peak equipment heat release is a minimum of 6,000 BTU/Hour/Unit (maximum = 9,000 BTU/Hour/Unit) for a Hydraulic unit.
- 3. Provide machine room smoke/heat detector as required by regulation. In the event sprinklers are anticipated within the machine room area, means to remove primary power prior to the application of water must be provided as required by code.
- 4. Provide new electric wiring from the present disconnect switches to the terminals of the new elevator controllers in the new locations, inclusive of a normal/standby 120 VAC, 15 AMP supply at each controller.
- 5. Provide connection at the first elevator controller for fire recall operation, where auto-recall is needed to respond to a life safety/fire alarm system.
- 6. Provide proper lighting in the elevator machine rooms within the vicinity of every controller and mainline disconnect per code requirements.
- 7. Provide a fused disconnect switch or circuit breaker and a light switch adjacent to the lock jamb-side of the machine room door for each elevator location, per the National Electric Code. Rule 210.5 and NFPA No. 70 Rule 620-51. Provide auxiliary disconnects, as required, based on the elevator contractor's drawings.
- 8. Provide copper wire feeder and branch wiring circuits to the controller, including a main line switch and convenience outlets.
- 9. Provide a telephone outlet near an elevator controller in each machine room.
- 10. Provide a self-closing and locking access machine room door.
- 11. Provide an "ABC" fire extinguisher.
- 12. Interfacing to and updating the existing fire life safety systems to meet current code requirements.
- 13. A separate 20 amp circuit will be provided if tank heater is provided with the elevator.

Page 15 of 22 Date 8/20/2020

General Requirements

1. Provide sufficient space for storage of materials on site throughout the duration of the modernization.

- 2. Provide clear floor space to be used as a work area.
- 3. If not presently outfitted, each elevator lobby should be equipped with smoke detectors, which can be used to initiate automatic fire recall. Actuation from water flow sensing or the general building alarm may require special approval.
- 4. Paint new or modified hoistway equipment to match building aesthetics, as required.
- 5. Provide building signage and floor designations related to other building systems, as required.
- 6. Provide building corridor lighting sufficient for illumination of elevator landing sills, as required by code.

Electrical Requirements

- 1. The permissible voltage drop for elevator feeders shall not exceed 3% between the service delivered to the building and our supply terminal.
- 2. All three legs of the three-phase feeder must be hot with respect to ground and balanced to each other with no more than a 5% variation between individual legs.
- 3. The maximum permissible voltage variation measured in the machine room under all operating conditions shall not exceed plus or minus 10% of the nominal building supply power source voltage.
- 4. A 20-amp, single phase, 110VAC, dedicated circuit with a duplex receptacle for the oil heater unit.
- FOR EMERGENCY POWER OPERATION OF ELEVATOR(S): (when required)
 - A. Provide an emergency generator that has the same voltage characteristics as the normal power supply. It should also have the capacity to deliver sufficient power to the main line disconnect switches in the elevator machine room for operating the specified number of elevators used during an emergency at full speed and full load.
 - B. Provide an automatic transfer switch, or switches, for transferring power from normal to emergency power and back again.
- 6. EMERGENCY POWER OPERATION SIGNAL The following separate indicating signals will be required from the automatic transfer switch to the machine room communication unit for each group of elevators.
 - A. One dry contact to close on emergency power and open on normal power. Provide two #12 AWG wires.
 - B. Provide one normally open dry contact (pre-transfer) to close 30 to 60 seconds prior to transfer to emergency power or back to normal power. This contact should reopen immediately after actual transfer of power. This is to prevent transfer of power while an elevator is moving, which can occur during the return to normal power or on an operating test. Provide two #12 AWG wires.

Note: When operating elevators on emergency power, a means of absorbing the regenerative energy may be necessary and shall be provide by others.

It is required that the car light, the fan circuits, ascending car protection circuit and the intercom circuit (if supplied), be set to operate from the emergency power supply in accordance with the building code.

Page 16 of 22 Date 8/20/2020

Price and Payment Terms

 Our price for the work proposed is as noted below and will be added to the invoice/billings. In addition, based on the current proposal date, sales tax will be invoiced based upon the price below. This price is firm for 90 days, and thereafter subject to change without notice.

Total Price Tax excluded and exempt: \$215,264.00 or, Payment over 60 equal monthly payments: \$4,520.54*

You agree to the following payment schedule for the lump sum option:

- Initial Invoice: 50% of the price quoted above upon execution of this Contract;
- Progress Invoice: 95% of the remaining balance to be paid in one installment upon fabrication of material:
- Final Invoice: Final payment within 30 days of completion of the work.

All invoices, including final invoice are payable within 30 days of application.

Any late or overdue payments will bear interest at the rate of 1 ½% per month. Attorneys' fees and other costs of collection will be included in the event that we must pursue legal action for payment or in the event that you are otherwise in breach of this contract.

We will not release to manufacture until the above initial invoice is paid. We will not schedule on-site work until the above progress invoice is paid. We will not turn over equipment prior to receipt of 95% of the price for the work inclusive of change notices.

*2. Schindler understands the costs for capital improvement can put a strain on a property's budget. Schindler has partnered with leading Finance organizations in an effort to help our clients sort through the best options to fund these capital improvements. We have simplified the process so all private financial information as well as future payments are handled between the Finance organization's representative and our client. Schindler facilitates the transaction and only requires a new 5-year maintenance contract as part of the agreement. Financing option is subject to credit check and approval.

Often times there are other building components which require upgrade due to the upgrade of the elevator system. These costs can be rolled into the total finance package with the lender.

If for some reason our contract is cancelled prior to the 60-month term all remaining balances become due immediately. *Monthly finance payment is an approximation and will be finalized following the credit check and contract.

Your sales representative, Samuel Bruno, will be happy to facilitate the process moving forward if you are interested in our financing option. The finance credit approval form can be found attached to this document.

3. Work by others included in this scope of work:

- Machine Room and Hoistway Electrical upgrades required for elevator code compliance.
- 2. Fire Alarm upgrades required for elevator recall code compliance.

Page 17 of 22 Date 8/20/2020

General Terms and Conditions

1. The price quoted in Article 1 above is based upon all the work being performed during our regular working hours of regular working days. If overtime is required, the additional price usually charged by us shall be added to the contract price. Your advance approval in writing is required before we will schedule or perform any overtime work.

- 2. The equipment furnished hereunder remains personal property and we retain title thereto until final payment is made, with the right to retake possession of the same at the cost of the Purchaser if default is made in any of the payments, irrespective of the manner of attachment to the realty, the acceptance of notes, or the sale, mortgage or lease of the premises.
- 3. The completion of the work as covered by this Agreement or acceptance thereof shall constitute a waiver by you of all claims for loss or damage due to delay. It is also understood and agreed that we shall not be liable for the condition, design, application or compliance with acceptable codes of any equipment not furnished under this Agreement or for the omission of any work or equipment not covered by this Agreement. We reserve the right to remove and retain all equipment that has been replaced or new materials not used in construction.
- 4. Schindler reserves the right to furnish its most modern of equipment and no statements contained in this contract are to make it obligatory for us to furnish equipment, the design of which has been discontinued or supplanted by new standards or codes.
- 5. All previous communication between us, whether written or verbal, with reference to the subject matter of this Agreement, is hereby abrogated, and this contract when duly accepted and approved constitutes the agreement between us, and no modification of this agreement shall be binding upon the Purchaser or Schindler, or either of us, unless such modification shall be in writing, duly accepted by the Purchaser and approved by Schindler. The contract date shall be the date of approval by Schindler.
- 6. The Purchaser is to provide suitable connections from the power mains to the controller, together with any cutouts, line switches, phase reversal or lightning arresters, and any other such components as that may be necessary to meet purchaser and/ or local code requirements.
- 7. Any changes in the building required to meet any local or state building or electrical codes are to be made by the Purchaser. Any cutting or patching necessary for the installation of equipment furnished under this contract shall be done by the Purchaser. Schindler shall not under any circumstances be liable for any redecorating that may be necessary upon the completion of its work. No work or service other than that specifically mentioned herein is included or intended. Such work by others must be coordinated by Purchase with Schindler in order to avoid delays to Schindler's work.

Page 18 of 22 Date 8/20/2020

8A. It is expressly understood, in consideration of the performance of the service enumerated herein at the price stated, that nothing in this agreement shall be construed to mean that Schindler assumes any liability on account of injury or damage to persons or property, except to the extent directly and solely due to the negligent acts or omissions of Schindler or its employees; and that the Purchaser's responsibility for injury or damage to persons or property while riding on or being in or about the equipment referred to is in no way affected by this Agreement.

Schindler shall not be responsible or liable for any loss, damage, detention or delay caused by labor trouble, strikes, lockouts, fire, explosion, theft, lightning, windstorm, earthquake, floods, storms, epidemics, pandemics, riot, civil commotion, malicious mischief, embargoes, shortages or materials or workmen, unavailability of material from usual sources, Government priorities or requests or demands of the National Defense Program, civil or military authority, war, insurrection, failure to act on the part of the Purchaser's or Schindler's suppliers, orders or instructions of any federal, state or municipal government or any department or agency thereof, Act of God, or by any cause whatsoever beyond its reasonable control. Dates for the performance or completion of work shall be extended to the extent of such delays.

- 8B. Purchaser agrees to defend, indemnify and hold Schindler harmless from and against any claims, lawsuits, demands, judgments, damages, costs and expenses arising out of this Agreement except to the extent caused by or resulting from the established sole and direct fault of Schindler.
- 8C. We will not be liable for damages of any kind, whether in contract or in tort, or otherwise, in excess of the price of this Agreement. We will not be liable in any event for special, indirect, liquidated or consequential damages, which include but are not limited to loss of rents, revenues, profit, good will, or use of equipment or property, or business interruption.
- 9. Schindler guarantees that the equipment furnished hereunder will comply with the foregoing specifications and if promptly notified in writing will, at our expense, correct any defects in such equipment occurring within one year from the date of completion or acceptance whichever occurs first, which are not due to ordinary wear and tear or improper use, care or maintenance. The correction of such defects constitutes the limit of our responsibility. THERE ARE NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, OTHER THAN OF TITLE. The equipment installed under this agreement requires maintenance service, such as periodic examinations, lubrication and adjustment by competent elevator mechanics. Our guarantee is not intended to supplant this normal servicing of the equipment and it is not to be construed that we will provide free maintenance service of this type, except as may be provided under other provisions of the contract, or that we will correct, without charge, breakage, maladjustment or other troubles occurring as a result of improper or inadequate maintenance.
- 10. We will defend any suit or proceeding brought against you so far as based on a claim that any equipment, or any part thereof, furnished under this contract constitutes an infringement of any patent of the United States, provided that such equipment or part is not supplied according to your design, and it is used as sold by us, if notified promptly in writing and given authority, information and assistance (at our expense) for the defense of same, and we shall pay all damages and costs awarded therein against you. In case said equipment or any part thereof is in such suit held to constitute infringement and the use of said equipment or part is enjoined, we shall at our own expense either: procure for you the right to continue using said equipment or part; or replace same with non-infringing equipment; or modify it so it becomes non-infringing; or remove said equipment and refund the purchase price and the transportation and installation costs thereof. The foregoing states our entire liability for patent infringement by said equipment or any part thereof.

Page 19 of 22 Date 8/20/2020

11. Purchaser will have the hoistways and machine room in safe and proper condition and the proper electrical current available as indicated on our attached schedule. Purchaser will also provide adequate access for delivery and a dry protected place for storage of equipment. Storage requirement of a minimum of 150 sq ft will be required for this project. If storage constraints force double handling of equipment, we will be compensated by you for all additional costs for labor and materials to overcome such obstacles at our standard billing rate. If the locations where the work is to be performed are not ready or are unsafe, we reserve the right not to begin or to discontinue the work. If adequate storage is not available, we will be compensated for all storage costs, as well as costs for demobilization and remobilization if necessary.

If completion of our work is delayed beyond our control and the following date:______, our price will be increased in proportion to any additional costs to complete, including but not limited to labor rate increases, component material price increases, storage costs, demobilization and remobilization expenses and the like.

- 12. Should latent or concealed conditions be encountered in the performance of the work below the surface of the ground or should concealed or unknown conditions in an existing structure be at variance with the conditions indicated by the Contract Documents, or should unknown physical conditions below the surface of the ground or should concealed or unknown conditions in an existing structure of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the work of the character provided for in this contract be encountered, the contract price and time shall be equitably adjusted by change order upon claim by either party made within 20 days and after the first observance of the conditions.
- 13. Any proprietary material, information, data or devices contained in the equipment or work provided hereunder, or any component or feature thereof, remains our property. This includes, but is not limited to, any tools, devices, manuals, software (which is subject to a limited license for use in this building/premises/equipment only), modems, source/access/object codes, passwords and the Schindler Remote Monitoring feature ("SRM") (if applicable) which will deactivate and remove if the Agreement is terminated.
- 14. Our bid is based on reusing existing components as is in regard to seismic conditions except as herein noted. Any required changes to existing components resulting from seismic requirements will need to be bid separately.

Page 20 of 22 Date 8/20/2020

15. You agree to pay, as an addition to the price stated herein, the amount of any federal excise tax, state and local sales, use or transaction tax, or increase of any tax, or similar charges based upon the sale, use, ownership or possession of materials and/or equipment imposed by any law enacted after the date of this proposal, or imposed upon you by any existing law. In the event of legislative change to the applicable tax rates, including but not limited sales tax, use tax, excise tax, privilege tax, transaction tax and similar charges, Supplier reserves the right to adjust the contract price accordingly.

In the event the customer claims an exemption from sales and/or use tax the customer shall provide a valid executed exemption certificate

In the event you claim an exemption which Supplier accepts in good faith and it is later determined by a taxing authority that such exemption does not apply, Schindler reserves the right to adjust the contract price to reflect the change.

Customer shall pay any penalty, interest, additional tax, or other charge that may be levied or assessed as a result of the delay or failure, caused by the Customer, to pay any tax or file any return or information required by law, rule or regulation or by this Agreement to be paid or filed by Supplier.

If either Party is audited by a taxing authority or other governmental entity in connection with taxes under this Taxes Section, the other Party shall reasonably cooperate with the Party being audited in order to respond to any audit inquiries in an appropriate and timely manner, so that the audit and any resulting controversy may be resolved expeditiously.

In the event of governmental changes to applicable tariffs, Schindler reserves the rights to adjust the contract price accordingly to account for all additional cost impacts.

- 16. We are not responsible for the removal of any hazardous materials. We will take possession, remove, and dispose any elevator equipment not being reused.
- 17. Schindler reserves the right to make technical modifications in conformity with technological progress and/or safety regulations to the products and/or to replace the components with components of equal or superior quality at any time until delivery and without further notice.
- 18. In the event of any change to the applicable code, after the date of this proposal that may affect this installation, you agree to pay Schindler any additional costs and provide the necessary extension of time to comply with the code change.

Page 21 of 22 Date 8/20/2020

Schindler Elevator Corporation

Ву:	Samuel B	runo		
	(Signature)			
Acce	epted:	(Full legal name of Purchaser)		
Ву:	(Signatura)			
	(Signature)		(Title)	
Date	e:			
∇ F	Principal or	Owner		
∇ A	Agent for Pr	incipal or Owner:		
		(N	ame of Principal or Owner)	
Appr	oved:	Schindler Elevator Co	orporation	
Ву:				
		(Signature)		
Date	. •			

Page 22 of 22 Date 8/20/2020

Financing Credit Application

APPLICANT INFORMATION:

Business Name					Contact		
Street Address			City		State		Zip
Phone	Years in Business			Nature of E	Business		
Own Business Property		Rent Business F	Property (Landlord, F	Phone #)			
Proprietorship		nership _	Corporation Limited Liability Corp.		Corp.		
NFORMATION ON PRIN	NCIPAL(S):				T		
Name		Title			SS#		
Street Address			City		State		Zip
Name		Title	-		SS#	SS#	
Street Address			City		State		Zip
BANK REFERENCE:			•		•		
Name of Bank Contact & Phone		Contact & Phone #	#		Acct #		
RADE REFERENCE(S)	:						
Supplier	City/State		Phone #		Contact / A	cct #	
Supplier	City/State		Phone #		Contact / A	Contact / Acct #	
AUTHORIZATION: By submitting or signing and faxing the above application, you certify that the information provided in this credit application is accurate and complete and you authorize Schindler Elevator Corp, its successors and/or assigns to obtain information from the references listed and obtain a consumer credit report that will be ongoing and relate not only to the evaluation and/or extension of the business credit requested, but also for purposes of reviewing the account, increasing the credit line on the account (if applicable), taking collection action on the account, and for any other legitimate purpose associated with the account as may be needed from time to time. The individual signing or submitting this application further waives any right or claim, which such individual would otherwise have under Fair Credit Reporting Act in the absence of this continuing consent. SIGNATURE OF APPLICANT:							
	<u> </u>						

ECOA NOTICE (TO BE RETAINED BY APPLICANT): Your business credit application will be reviewed carefully and a decision will be rendered promptly. If your business credit application is denied, you have the right to a written Statement of the specific reasons for denial. To obtain a statement, please contact us within 60 days from the date that you are notified of our decision. We will send you a written statement of the reasons for denial within 30 days of your request. NOTICE: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, gender, marital status, age (provided applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program; or because the applicant has, in good faith, exercised any right under the Consumer Credit Protection Act. The federal agency that administers our compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.

Page 23 of 22 Date 8/20/2020

Modernization Invoice Application No. 1

	Bill to:	Ship to:	
Company Address	Webb County (ml)	Webb County (ml) - Laredo, TX 78040	Invoice Date: 8/20/2020 Invoice Number: SPOS-BSFPFQ
City State Zip Contact Name Agent for	Laredo TX 78040	Laidas, 1X 18040	Billing Terms Progress Bill Terms: Net Due 30 Days Final Bill Terms: Net Due 30 Days

Progress Billing - Elevator / Escalator Installation

Contract Amount 215,264.00

	Work Value	Retention	Net Due
Total Work Completed	113,297.00	5,665.00	107,632.00*
Less Previously Billed	0	0	0.00
Current Application	113,297.00	5,665.00	107,632.00

*THIS INVOICE IS SUBJECT TO REVISION BASED ON FINAL CONTRACT PRICE

All Invoice / Payment / Contact Questions to:

Sales Rep Name Samuel Bruno Office Name 5511

Phone Number 361-402-5929

Remittance

Schindler Elevator Corporation

PO Box 70433

Chicago, IL 60673-0433

Please return this portion with your payment If paying electronically, please provide the invoice number with your remittance

Payer: Webb County (ml)

-Laredo, TX 78040 Invoice Number: Invoice Date: Invoice Amount: SPOS-BSFPFQ 8/20/2020 107,632.00

Remit To: Schindler Elevator Corporation

PO Box 70433

Chicago, IL 60673-0433