

Trane Scheduled Service Agreement

SERVICE PROPOSAL FOR:

Zorro Ranch
49 Zorro Ranch Road
STANLEY, NM 87056 U.S.A.
Brice Gordon

SITE ADDRESS:

Zorro Ranch
49 Zorro Ranch Road
STANLEY, NM 87056
United States

LOCAL TRANE OFFICE:

Trane U.S. Inc. dba Trane
[REDACTED]
Albuquerque, NM 87113

LOCAL TRANE REPRESENTATIVE:

Jackie Putney
Cell: [REDACTED]
Office: [REDACTED]

PROPOSAL ID / AGREEMENT NUMBER:

[REDACTED] / TBD

DATE:

October 11, 2013

TRANE SCHEDULED SERVICE AGREEMENT

Executive Summary

Thank you for choosing Trane Building Services as your HVAC support partner. We are committed to working with you to help you ensure your building serves the needs of your organization. The details of that commitment are in the following pages.

A Trane Scheduled Service Agreement will provide planned maintenance for your HVAC systems. The agreement assures that factory recommended services are executed on scheduled intervals.

Beyond the benefits of a typical service plan, a Trane Scheduled Service Agreement can deliver enhanced value through an optional Performance Package. Trane is continuously collecting data from your HVAC system that can be streamed into a report to provide insight into the overall performance of your building. Based on a professional analysis of the report's findings, we can demonstrate opportunities for improvement, and recommend actions to help you achieve performance objectives for energy usage, operational efficiency, environmental impact, air quality and more.

Additionally, as a Trane customer you can count on:



- ☑ **Priority Response** – as a Trane Service Agreement customer you will have service priority, above time and materials customers.
- ☑ **Advanced Diagnostics** – Trane proprietary applications and technologies equip technicians to analyze system performance and make actionable service recommendations.
- ☑ **Trane OEM Service Delivery** – ensures the right services are completely and consistently performed to keep your equipment running efficiently and reliably.
- ☑ **Dedicated Trane Service Team** – a local service team consisting of a Service Coordinator, one or more Service Technicians and an Account Manager, all of whom will be familiar with your service requirements, your HVAC equipment and your facility.

WE VALUE THE CONFIDENCE YOU HAVE PLACED IN TRANE AND LOOK FORWARD TO WORKING WITH YOU.

TRANE SCHEDULED SERVICE AGREEMENT

Added Value

Proper maintenance can save an estimated 12-18%* of your budget compared to a run-to-fail approach. A Service Agreement is structured to help you capture those savings.



Research has shown that regular maintenance can:

- Cut unexpected breakdowns by **70-75%***
- Reduce downtime by **35-45%***
- Lower equipment repairs and maintenance costs by **25-30%***
- Reduce energy consumption by **5-20%***

* Source: FEMP O&M Guide – July 2004

In addition to financial value, when you partner with Trane you can expect:

Dependability and Consistency

Assigned Service Team - Your service team will consist of our professional Service Coordinator, Service Technicians, and Account Manager with extensive HVAC experience. Our technicians have a thorough understanding of controls, heating, refrigeration, and airside systems.

Priority Response - Zorro Ranch will receive preferred service status. Priority Emergency Response is available on a 24-hour-per-day basis.

Automated Scheduling System - Trane utilizes a computerized scheduling program to ensure that all services included in the agreement are performed.

Superior Service Delivery

Trane's OEM Service Delivery Process ensures consistent quality through:

- Uniform service delivery
- Pre-job parts planning
- Documented work procedures
- Efficient and economical delivery of services
- Emphasis on Safety & Environments



Superior Service Delivery (continued)

Service Work Flow - Trane's industry exclusive service flow process includes detailed procedures that identify steps for: safety, parts, materials, tools, and sequence for execution. Trane's procedures also include steps for safety, quality control, work validation, and environmental compliance.

This process assures a complete service event. No critical steps are skipped or lost. Systems serviced in this way offer a higher degree of reliability and operational longevity. Trane's exclusive service procedures deliver superior service and most reliable outcomes at the most cost-effective price.

Where applicable, Trane's exclusive service process meets or exceeds ASHRAE 180-2008 Standard Practice for Inspection and Maintenance of Commercial Building HVAC Systems.

Trane's proprietary program is unequalled in the industry.

Knowledge Transfer

Documentation - Work performed on your equipment will be documented by the technician and reviewed with you at the completion of each visit.

Operational System Optimization - Trane Technicians will review operating sequences and practices for the equipment covered by the agreement and advise you of operational improvement opportunities.

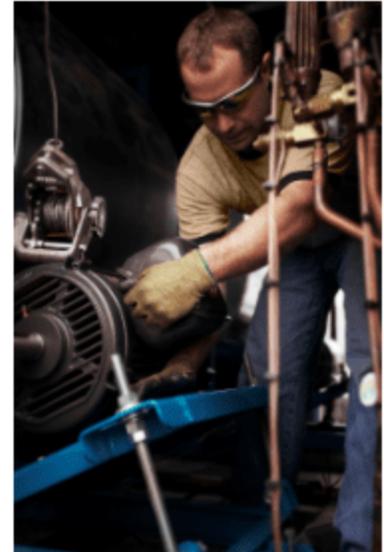
Training for Facility Staff - Concurrent with annual start-up, your Trane Technician will instruct your operator how to operate the equipment covered by the agreement.

Health and Safety

Safety Management Program - Trane Building Services employs several full time Occupational Safety and Health Administration (OSHA) 30-hr certified safety managers who are available to perform safety consultations related to the service performed at your site. Our Safety Management Program includes monthly safety training for all Trane Building Services field personnel, field supervisor jobsite audits, technician job safety analyses, and other key risk assessments and control strategies.

Personal Safety - Trane service technicians are, at a minimum, OSHA 10-hr certified, or equivalent with yearly retraining on all key occupational safety and health topics. Most of our technicians have participated in "Smith Safe" driver training and are Department of Transportation (DOT) Hazmat certified. They are provided with up to date personal protective equipment (PPE), training on its use and limitations, and FR protective apparel. Trane maintains an industry leading position in National Fire Protection Agency (NFPA) 70E Electrical Safety, technician ergonomics and fall protection programs.

Drug-Free Workplace - Trane service maintains a Drug-Free Workplace, with a robust drug and alcohol testing program.



Environmental Management

Refrigerant Policy - Trane Building Services practices and procedures are compliant with all Federal and State laws and regulations concerning the proper handling, storage, and repair of leaks of ozone-depleting refrigerants and their substitutes according to Environmental Protection Agency regulation 40 CFR Part 82. Trane service technicians are Universal-certified and use only certified recovery equipment.

Refrigerant Management Program - Trane Building Services maintains and uses Trane Refrigerant Management Software (RMS) to capture, manage and report Refrigerant Activity. The Refrigerant Activity Report Form is used by the technician to record all refrigerant activity that has occurred on each piece of equipment. The form data is entered into RMS after it is submitted to and checked by central office personnel. Annually, Trane prints a report from RMS of all Refrigerant activity that has occurred at each site. The report details all refrigerant activity performed by Trane Building Services Technicians for each piece of equipment, and can be used to satisfy reporting requirements.

Oil Disposal - Trane Building Services removes used oil from your refrigeration units and disposes of it in accordance with applicable environmental regulations. Trane has a national contract with a leading provider of used oil services to recycle used oil where allowed and properly dispose of used oil which does not meet recycling requirements (in states where used oil is a hazardous waste, Trane will remove used oil from refrigeration units for the customer to arrange disposal).

Trane Intelligent Services

With an active Trane service agreement and Tracer™ Building Automation System or other qualified controls, you are eligible for Trane Intelligent Services (TIS). A revolutionary integration of technology and Trane professionals, TIS monitors, analyzes and acts to improve the performance of building systems to support your business mission. Three levels of TIS serve a range of needs: Alarm Notification is exclusive to Trane and is included in this agreement. Active Monitoring and Building Performance are optional service levels that may be customized to meet your unique requirements.



The Agreement

TRANE SCHEDULED SERVICE AGREEMENT



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TRANE SCHEDULED SERVICE AGREEMENT

Scope of Services – Standard Inclusions

Provided in your Scheduled Service Agreement:

Trane Scheduled Maintenance

Scheduled number of specific service events and associated labor performed during Trane normal business hours as outlined in the Equipment Coverage and Services section of this Agreement. Basic materials and supplies determined necessary by the Trane Technician for the normal performance of Scheduled Maintenance are covered by the annual fee and include grease, cleaning solvents, and wiping cloths.

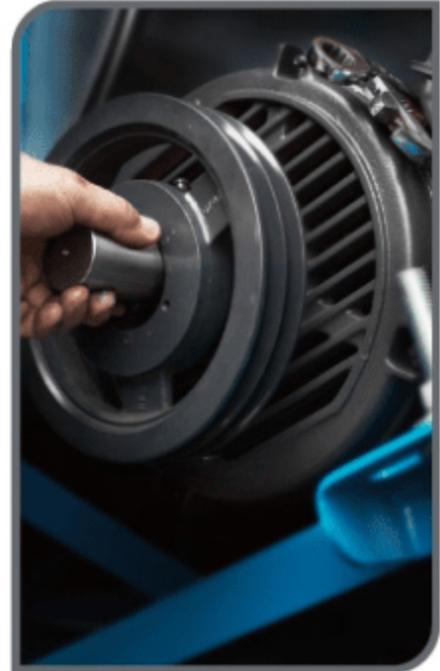
Refrigerant Management

This scope includes:

- Trane Technicians will capture and track all refrigerant activity performed by Trane for each piece of Covered Equipment
- Refrigerant Usage Reports can be generated annually

Trane Laboratory Analysis

The Trane Chemical Laboratory performs routine analysis and trending of oil, absorption solutions, and refrigerants as required. Equipped with this knowledge and Trane's extensive experience we can identify and head off potential system failures more definitively than service providers who depend on third party testing laboratories.



Additional Scope of Services:

Quarterly Inspections – repairs not included:

- 1 Annual Inspection
- 1 Annual Coil Cleaning
- 3 Running Inspections
- Quarterly Filter Changes
- Quarterly Inspection of backflow preventers
- Quarterly Inspection of air separators
- Quarterly Cleaning the plastic probe rod assembly and housing on the Humidifiers
- Replace Humidifier Canisters as needed
- Replace belts as needed
- Written Reports
- Reduced labor rates on repairs
 - Light Commercial Unitary Equipment < 25 Tons \$86.90
 - Commercial Equipment > 25 Tons \$101.20
 - Building Automation Controls Service \$119.90

Full Maintenance – repairs are included:

- 1 Annual Inspection
- 1 Annual Coil Cleaning
- 3 Running Inspections
- Quarterly Filter Changes
- Quarterly Inspection of backflow preventers
- Quarterly Inspection of air separators
- Quarterly Cleaning the plastic probe rod assembly and housing on the Humidifiers
- Replace Humidifier Canisters as needed
- Replace belts as needed
- All parts, labor and refrigerant for corrective repairs
- Annual software upgrades for Tracer Summit
- Written Reports

Note 1 – It shall be the responsibility of the Service Company to inspect and report to the Customer any Malfunctions and defects within thirty (30) days after effective date. If equipment cannot be Operated within this 30-day period due to seasonal conditions or other factors beyond our control, the period for initial inspection will be extended to 30 days after the equipment can be operated and checked.

Additional Exclusions: Electrical line voltage wiring switches and disconnects, Low voltage control wiring, Sheet metal duct work, supply and return air grills, Test and balance air flow, water treatment, glycol [anti freeze] and water additives, Vandalism and tenant damage, Backflow testing, Fire protection system, Building condenser water piping and fittings for HVAC system.



TRANE SCHEDULED SERVICE AGREEMENT

Scope of Services – Trane Intelligent Services

Alarm Notification

Continuous monitoring and an automated alarm process provide reassurance that the systems controlling building environments are operating as programmed. Instant notification transmits an alert when systems need attention to avoid operational interruptions.

- Customer defined data collection points
- 24/7/365 automated alarm and event monitoring
- Automated customer notification via email, text or pager
- Archiving and reporting of critical alarm data



TRANE SCHEDULED SERVICE AGREEMENT

Equipment Coverage and Services



Trane will perform the following scheduled services on the described equipment located at:

Zorro Ranch

The following "Covered Equipment" will be serviced at Zorro Ranch:

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Bladder Tank	1	Armstrong International Inc	500L		ET-2
Bladder Tank	1	Armstrong International Inc	AX-13		ET-1
Boilers - Generic	1	Parker Boiler Company	T-2160		B-1

Description

Boiler Annual Maintenance (Service 2)

Boiler Quarterly Maintenance (Service 3)

Quantity Per Term

1

3

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Fans	1	Greenheck	BSQ-120		IEF-3
Fans	1	Greenheck	BSQ-120		IEF-2
Fans	1	Greenheck	BSQ-90		IEF-1
Fans	1	Greenheck	CSP-210		CEF-4
Fans	1	Greenheck	CSP-210		CEF-3
Fans	1	Greenheck	CSP-218		CEF-9
Fans	1	Greenheck	CSP-218		CEF-8
Fans	1	Greenheck	CSP-224		CEF-5
Fans	1	Greenheck	CSP-224		CEF-1
Fans	1	Greenheck	CSP-224		CEF-6
Fans	1	Greenheck	CSP-224		CEF-7
Fans	1	Greenheck	CSP-252		CEF-2
Fans	1	Greenheck	SFB-12		UEF-1
Fans	1	Greenheck	SP-7		CEF-12
Fans	1	Greenheck	SP-7		CEF-13
Fans	1	Greenheck	SP-7		CEF-10
Fans	1	Greenheck	SP-7		CEF-11
Fans	1	Greenheck	SQ-100A		IEF-5

Fans	1	Greenheck	SQ-130B		IEF-4
Fans	1	Greenheck	SQ-130B		IEF-6
Fans	1	Greenheck	SQ-95-3		IEF-8
Fans	1	Greenheck	SQ-95D		IEF-7

Description

Exhaust Fan Quarterly Inspection (Service 5)

Quantity Per Term

4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Closed Circuit Cooling Tower	1	Marley Cooling Technologies			VCT-1

Description

Cooling Tower Annual Inspection (Service 4)

Quantity Per Term

1

Marley Cooling Tower Mid-Season Running Inspection (Service 7)

3

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Plate Frame Exchanger	1	Paul Mueller Company	AT20P		HE-1
Plate Frame Exchanger	1	Paul Mueller Company	AT20P		HE-2

Description

Plate and Frame Heat Exchanger Maintenance (Service 9)

Quantity Per Term

4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Pumps	1	Aurora Pump	3405-ES		P-1A
Pumps	1	Aurora Pump	3405-ES		P-4
Pumps	1	Aurora Pump	3405-ES		P-3
Pumps	1	Aurora Pump	3405-ES		P-2
Pumps	1	Aurora Pump	3405-ES		P-1
Pumps	1	Aurora Pump	3405-ES		P-2A
Pumps	1	Taco Inc			P-5

Description

Annual Pump Maintenance (Service 1)

Quantity Per Term

1

Quarterly Pump Maintenance (Service 10)

3

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-9
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-11
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-4
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-12
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-10
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-6
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-3
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-13
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-2
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-1

Hot Water Coils - Generic	1	McQuay International	5VS		HWC-5
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-7
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-16
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-15
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-19
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-20
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-22
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-21
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-17
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-24
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-14
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-18
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-22A
Hot Water Coils - Generic	1	McQuay International	5VS		HWC-25

Description

TXC Coil Inspection (Service 13)
 TXC Coil Inspection (Service 14)

Quantity Per Term

1
 3

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Split System Air Conditioners - Generic	1	Mitsubishi Heavy Industries	MRLSLIM		
Split System Air Conditioners - Generic	1	York International	BH2G1AS	802077	

Description

Split System Air Handler Cooling Pre-Season Annual Maintenance (Includes Condenser) (Service 11)
 Split System Air Handler Quarterly Maintenance (Includes Condenser) (Service 12)

Quantity Per Term

1
 3

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-1
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-5
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-6
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-2
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-3
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-7
Humidifiers, Central Vacuums, Air Cleaners-Generic	1	Nortec Services Incorporated	NHHC020		SH-4

Description
 Humidifier Maintenance (Service 6)

Quantity Per Term
 4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Unit Heaters - Generic	1	Sterling	HS-132		UH-3
Unit Heaters - Generic	1	Sterling	HS-40		UH-4
Unit Heaters - Generic	1	Sterling	HS-40		UH-6
Unit Heaters - Generic	1	Sterling	HS-40		UH-5
Unit Heaters - Generic	1	Sterling	HS-48		UH-1
Unit Heaters - Generic	1	Sterling	HS-72		UH-2

Description
 Unit Heater Maintenance (Service 15)

Quantity Per Term
 4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Electric Wall Mounted Unit Heaters	1	QMark	2040A		VEH-1

Description
 Wall Mounted Unit Heaters (Service 16)

Quantity Per Term
 4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Water Source Heat Pumps - Generic	1	FMP			
Water Source Heat Pumps - Generic	1	FMP	EM015		AC-12C
Water Source Heat Pumps - Generic	1	FMP	EM015		AC-12B
Water Source Heat Pumps - Generic	1	FMP	EM015		AC-12D1
Water Source Heat Pumps - Generic	1	FMP	EM018		AC-12A
Water Source Heat Pumps - Generic	1	FMP	EM028		AC-10B
Water Source Heat Pumps - Generic	1	FMP	EM028		AC-10A
Water Source Heat Pumps - Generic	1	FMP	EM029		AC-12D
Water Source Heat Pumps - Generic	1	FMP	EM036		AC-7B
Water Source Heat Pumps - Generic	1	FMP	HE027		AC-4
Water Source Heat Pumps - Generic	1	FMP	HE027		AC-5
Water Source Heat Pumps - Generic	1	FMP	HE027		AC-7D
Water Source Heat Pumps - Generic	1	FMP	HE031		AC-7C
Water Source Heat Pumps - Generic	1	FMP	HE032		AC-7A
Water Source Heat Pumps - Generic	1	FMP	HE036		AC-9
Water Source Heat Pumps - Generic	1	FMP	HE062		AC-2
Water Source Heat Pumps - Generic	1	FMP	HE062		AC-8
Water Source Heat Pumps - Generic	1	FMP	HE122		AC-3

Water Source Heat Pumps - Generic	1	FMP	HE122		AC-1
Water Source Heat Pumps - Generic	1	FMP	HE122		AC-11

Description
 NTP Water Source Heat Pump Maintenance (Service 8)

Quantity Per Term
 4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Pool Pak	1	Pool Pak Incorporated	AWV/HCDV-1		

Quantity Per Term

Description
 PoolPak Maintenance

4

Equipment	Qty	Manufacturer	Model Number	Serial Number	Asset Tag
Generic	1	Carrier Corporation	COMFORT 80		

Description
 Maintenance

Quantity Per Term
 4



TRANE SERVICE AGREEMENT

Pricing and Acceptance

Brice Gordon
 Zorro Ranch
 49 Zorro Ranch Road
 STANLEY, NM 87056 U.S.A.

Site Address:
 Zorro Ranch
 49 Zorro Ranch Road
 STANLEY, NM 87056

Trane Service Agreement

This Service Agreement consists of the pages beginning with the title page entitled "The Agreement," the consecutively numbered pages immediately following such title page, and includes and ends with the Trane Terms and Conditions (Service) (collectively, the "Service Agreement" or "Agreement"). Trane agrees to inspect and maintain the Covered Equipment according to the terms of this Service Agreement, including the "Terms and Conditions," and "Scope of Services" sections. Trane agrees to give preferential service to Customer over non-contract customers.

Service Fee

As the fee(s) (the "Service Fee(s)") for the inspection and maintenance services described in the Scope of Services section with respect to the Covered Equipment, Customer agrees to pay to Trane the following amounts, plus applicable tax, as and when due.

Quarterly Inspections – repairs not included:

Contract Year	Annual Amount USD	Payment USD	Payment Term
Year 1	22,500.00	5,625.00	Quarter

Full Maintenance – repairs are included:

Contract Year	Annual Amount USD	Payment USD	Payment Term
Year 1	22,500.00	5,625.00	Quarter

A one-time 3.00 % discount is offered for full payment of 1 year(s) in advance of the commencement of the Service Agreement. Invoice would be issued at start of the Agreement and is due net 15 days from date of invoice. Tax will be calculated based upon the pre-discounted price. The discount for advance payment is not applicable to credit card transactions. Please check the box for this option.

Term

The initial term of this Service Agreement is 1 year, beginning November 01, 2013. However, Trane's obligation under this Agreement will not begin until authorized representatives of Trane and Customer have both signed this Agreement in the spaces provided below. Following expiration of the initial term on October 31, 2014, this Agreement shall renew automatically for successive periods of 1 year until terminated as provided herein.

This Agreement is subject to Customer's acceptance of the attached Trane Terms and Conditions (Service).

Submitted By: Jackie Putney _____	Cell: _____ Office: [REDACTED] Proposal Date: October 11, 2013
CUSTOMER ACCEPTANCE _____	TRANE ACCEPTANCE Trane U.S. Inc. dba Trane
Authorized Representative _____	Authorized Representative _____
Printed Name _____	Title _____
Title _____	Signature Date _____
Purchase Order _____	License Number: [REDACTED]
Acceptance Date _____	



Terms and Conditions (Service)

"Company" shall mean Trane U.S. Inc. dba Trane for Company performance in the United States and Trane Canada ULC for Company performance in Canada.

1. Acceptance. These terms and conditions ("Terms") are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the following services as stated in the Proposal (collectively, the "Services"): inspection, maintenance and repair (the "Maintenance Services") on equipment (the "Covered Equipment"), specified Additional Work (if any), and, if included in the Proposal, Intelligent Services, Trane Energy Manager Monitoring and/or Diagnostic Services, and any other services using remote connectivity (collectively and individually referred to in these Terms as "Energy and Building Performance Services"). **COMPANY'S TERMS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.** The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer's order shall be deemed acceptance of the Proposal subject to these Terms. If Customer's order is expressly conditioned upon Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company's Terms attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to perform in accordance with the Proposal and Company Terms. If Customer does not reject or object in writing to Company within 10 days, Company's counter-offer will be deemed accepted. Customer's acceptance of performance by Company will in any event constitute an acceptance by Customer of Company's Terms. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or Terms with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Services provided by Company to the date of cancellation.

2. Fees and Taxes. Fees for the Services (the "Service Fees") are as set forth in the Proposal. Except as otherwise stated in the Proposal, Service Fees are based on performance during regular business hours. Charges for performance outside Company's normal business hours shall be billed separately according to then prevailing overtime or emergency labor/labour rates. In addition to the stated Service Fees, Customer shall pay all taxes not legally required to be paid by Company or, alternatively, shall provide Company with an acceptable tax exemption certificate.

3. Term, Renewal, and Cancellation. The "Term" of this Agreement shall be as stated in the Proposal. Thereafter, unless earlier terminated, this Agreement shall be automatically renewed for succeeding 12 month terms (each a "Renewal Term"), subject to Section 4 of these Terms, upon Company's delivery to Customer of a service renewal letter at least 45 days in advance of the scheduled expiration date and Customer's failure to notify Company in writing no later than 30 days prior to the scheduled expiration date that the Agreement shall not be renewed. This Agreement may be cancelled upon the written notice of either party to the other (for any reason or no reason) no later than 30 days prior to the scheduled expiration date. Upon cancellation by Customer not due to Company's default, Customer shall pay to Company the balance of the Service Fees applicable to the then current 12 month period of the Term or the Renewal Term. Customer shall remain liable for any amounts due and unpaid if either party cancels the Agreement.

4. Renewal Pricing Adjustment. The Service Fees for an impending Renewal Term shall be the Current Service Fees (defined as the Service Fees for the initial Term or Renewal Term immediately preceding the impending Renewal Term less the price of any Additional Work that is not recurring) adjusted by the following: (a) increase and/or decrease for additions and/or deletions to Scope of Services; (b) 25% of the Current Service Fees shall be adjusted based upon the calendar year change in the (i) U.S. Bureau of Labor Statistics Producer Price Index for selected commodity groupings (Metals and Metal Products) for Services performed in the United States; or (ii) Statistics Canada Industrial Producer Price Index, Goods (Raw Material Price Indexes) for Services performed in Canada; (c) 65% of the Current Service Fees shall be adjusted based upon the change to cost of labor/labour; and (d) 10% of the Service Fees shall be adjusted based upon changes to Company services overhead costs, which include but are not limited to the cost of fuel, truck leasing, and office-related overhead factors. The Service Fees for an impending Renewal Term shall be set forth in the service renewal letter furnished to Customer.

5. Payment. Payment is due upon receipt of Company's invoice. Service Fees shall be paid no less frequently than quarterly and in advance of performance of the Services. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Without liability to Customer, Company may discontinue performance whenever payment is overdue. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due or otherwise enforcing this Agreement.

6. Customer Breach. Each of the following constitutes a breach by Customer and shall give Company the right, without an election of remedies, to suspend performance or terminate this Agreement by delivery of written notice declaring termination. Upon termination, Customer shall be liable to the Company for all Services furnished to date and all damages sustained by Company (including lost profit and overhead): (a) Any failure by Customer to pay amounts when due; (b) any general assignment by Customer for the benefit of its creditors, Customer's bankruptcy, insolvency, or receivership; (c) Any representation or warranty furnished by Customer in connection with this Agreement is false or misleading in any material respect when made; or (d) Any failure by Customer to perform or comply with any material provision of this Agreement.

7. Performance. Company shall perform the Services in accordance with industry standards generally applicable in the area under similar circumstances when Company performs the Services. Company may refuse to perform where working conditions could endanger property or put people at risk. Unless otherwise agreed by Customer and Company, at Customer's expense and before the Services begin, Customer will provide any necessary access platforms, catwalks to safely perform the Services in compliance with OSHA or state industrial safety regulations. This Agreement presupposes that all major pieces of Covered Equipment are in proper operating condition as of the date hereof. Services furnished are premised on the Covered Equipment being in a maintainable condition. In no event shall Company have any obligation to replace Covered Equipment that is no longer maintainable. During the first 30 days of this Agreement, or upon initial inspection, and/or upon seasonal start-up (if included in the Services), if an inspection by Company of Covered Equipment indicates repairs or replacement is required, Company will provide a written quotation for such repairs or replacement. If Customer does not authorize such repairs or replacement, Company may remove the unacceptable equipment from the Covered Equipment and adjust the Service Fees accordingly. Customer authorizes Company to utilize Customer's telephone line or network infrastructure to connect to controls, systems and/or equipment provided or serviced by Company and to provide Services contracted for or otherwise requested by Customer, including remote diagnostic and repair service. Customer acknowledges that Company is not responsible for any adverse impact to Customer's communications and network infrastructure. Company may elect to install/attach to Customer equipment or provide portable devices (hardware and/or software) for execution of control or diagnostic procedures. Such devices shall remain the personal proprietary property of Company and in no event shall become a fixture of Customer locations. Customer shall not acquire any interest, title or equity in any hardware, software, processes, and other intellectual or proprietary rights to devices used in connection with the Services on Customer equipment. Company may remove such devices at its discretion.

8. Customer Obligations. Customer shall: (a) Provide Company reasonable and safe access to the Covered Equipment and areas where Company is to work; (b) Follow manufacturer recommendations concerning teardown and internal inspection, major overhaul, restoration or refurbishing of the Covered Equipment; unless expressly stated in the Scope of Services statement, Company is not performing any manufacturer recommended teardown and internal inspection, major overhaul, restoration or refurbishing of the Covered Equipment; (c) Reimburse Company for services, repairs, and/or replacements performed by Company beyond the Services or otherwise excluded under this Agreement and such reimbursement shall be at the then prevailing applicable regular, overtime, or holiday rates for labor/labour and prices for materials and may at Company's option be subject to a separate written agreement prior to its undertaking such work; and (d) Where applicable, unless water treatment is expressly included in the Services, provide professional cooling tower water treatment in accordance with any reasonable recommendations provided by Company.

9. Exclusions. Unless expressly included in the Covered Equipment or the Services, the Services do not include, and Company shall not be liable for, any of the following: (a) Any guarantee of room conditions or system performance; (b) Inspection, maintenance, repair, replacement of or services for: chilled water and condenser water pumps and piping; electrical disconnect switches or circuit breakers; motor starting equipment that is not factory mounted and interconnecting power wiring; recording or portable instruments, gauges or thermometers; non-moving parts or non-maintainable parts of the system, including, but not limited to, storage tanks; pressure vessels, shells, coils, tubes, housings, castings, casings, drain pans, panels, duct work; piping: hydraulic, hydronic, pneumatic, gas, or refrigerant; insulation; pipe covering; refractory material; fuses, unit cabinets; electrical wiring; ductwork or conduit; electrical distribution system; hydronic structural supports and similar items; the appearance of decorative casing or cabinets; damage sustained by other equipment or systems; and/or any failure, misadjustment or design deficiencies in other equipment or systems; (c) Damage, repairs or replacement of parts made necessary as a result of electrical power failure, low voltage, burned out main or branch fuses, low water pressure, vandalism, misuse or abuse, water damage, improper operation, unauthorized alteration of equipment, accident, acts or omissions of Customer or others, damage due to freezing weather, calamity, malicious act, or any Event of Force Majeure; (d) Any damage or malfunction resulting from vibration, electrolytic action, freezing, contamination, corrosion, erosion, or caused by scale or sludge on internal tubes except where water treatment protection services are provided by Company as part of this Agreement; (e) Furnishing any items of equipment, material, or labor/labour, or performing special tests recommended or required by insurance companies or federal, state, or local governments; (f) Failure or inadequacy of any structure or foundation supporting or surrounding the equipment to be worked on or any portion thereof; (g) Building access or alterations that might be necessary to repair or replace Customer's existing equipment; (h) The normal function of starting and stopping equipment or the opening and closing of valves, dampers or regulators normally installed to protect equipment against damage; (i) Valves that are not factory mounted: balance, stop, control, and other valves external to the device unless specifically included in the Agreement; (j) Any responsibility for design or redesign of the system or the Covered Equipment, obsolescence, safety tests, or removal or reinstallation of valve bodies and dampers; (k) Any services, claims, or damages arising out of Customer's failure to comply with its obligations under this Agreement; (l) Failure of Customer to follow manufacturer recommendations concerning teardown and internal inspection, overhaul and refurbishing of equipment; (m) Any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the effective date of this Agreement ("Pre-Existing Conditions"), including, without limitation, damages, losses, or expenses involving pre-existing building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould and/or fungi; and (n) Replacement of refrigerant is excluded, unless replacement of refrigerant is expressly stated as included within the Services, in which case replacement shall in no event exceed the stated percentage of rated system charge per year expressly stated in the Services. Customer shall be responsible for: (i) The cost of any additional replacement refrigerant; (ii) Operation of any equipment; and (iii) Any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company.

10. Limited Warranty. Company warrants that: (a) the material manufactured by Company and furnished hereunder is free from defects in material and manufacture for a period of 12 months from the earlier of the date of equipment start-up or replacement; and (b) the labor/labour portion of the Maintenance Services and Additional Work has been properly performed for a period of 90 days from date of completion (the "Limited Warranty"). Company obligations of equipment start-up, if any are stated in the Proposal, are coterminous with the Limited Warranty period. Defects must be reported to Company within the Limited Warranty period. Company's obligation under the Limited Warranty is limited to repairing or replacing the defective part at its option and to correcting any labor/labour improperly performed by Company. No liability whatsoever shall attach to Company until the Maintenance Services and Additional Work have been paid for in full. Exclusions from this Warranty include damage or failure arising from: wear and tear; corrosion, erosion, deterioration; Customer's failure to follow the Company-provided maintenance plan; refrigerant not supplied by Trane; and modifications made by others to equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Some components of equipment manufactured by Company may be warranted directly from the component supplier, in which case this Company Limited Warranty shall not apply to those components and any warranty of the components shall be the warranty given by such component supplier. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer. **THE LIMITED WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS. THE ENERGY AND BUILDING PERFORMANCE SERVICES ARE PROVIDED ON AN "AS IS" BASIS WITHOUT WARRANTIES OF ANY KIND.**

11. Indemnity. Company and Customer shall indemnify, defend and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of the indemnifying party, and/or its respective employees or other authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses, or liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

12. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES WHETHER CLAIMED UNDER CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER LEGAL THEORY OR FACTS. Should Company nevertheless be found liable for any damages they shall be limited to the compensation received by Company for the Services and Additional Work for one location over a 12 month term. **IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS. TO THE MAXIMUM EXTENT ALLOWED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY OF THE FOLLOWING IN CONNECTION WITH PROVIDING THE ENERGY AND BUILDING PERFORMANCE SERVICES: ERRORS, INACCURACIES, OMISSIONS, OR OTHER DEFECTS IN THE ENERGY AND BUILDING PERFORMANCE SERVICES PROVIDED; INTERRUPTION, DELETION, DEFECT, DELAY IN OPERATION OR TRANSMISSION; CUSTOMER'S NETWORK SECURITY; COMPUTER VIRUS; COMMUNICATION FAILURE; THEFT OR DESTRUCTION OF DATA; GAPS IN DATA COLLECTED; AND UNAUTHORIZED ACCESS TO CUSTOMER'S DATA OR COMMUNICATIONS NETWORK.**

13. Asbestos and Hazardous Materials. The Services expressly exclude any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos polychlorinated biphenyl ("PCB"), or other hazardous materials (collectively, "Hazardous Materials"). Customer warrants and represents that there are no Hazardous Materials on the premises that will in any way affect Company's performance, except as set forth in a writing signed by Company disclosing the existence and location of any Hazardous Materials in all areas within which Company will be performing. Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and notify Customer. Customer will be responsible for correcting the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for and shall indemnify and hold harmless Company (including its employees, agents and subcontractors) from and against any loss, claim, liability, fees, penalties, injury (including death) or liability of any nature, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Company. Company shall be required to resume performance only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Company be obligated to transport or handle Hazardous Materials, provide any notices to any governmental agency, or examine the premises site for the presence of Hazardous Materials.

14. Insurance. Company agrees to maintain the following insurance during the term of this Agreement with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company waive rights of subrogation.

15. Force Majeure. Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company is unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon 10 days notice to Customer, in which event Customer shall pay Company for all parts of the Services furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy;

flood; earthquake; lightning; tornado; storm; fire; civil disobedience; pandemic; insurrections; riots; labor/labour disputes; labor/labour or material shortages from the usual sources of supply; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company; and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

16. Maintenance Services Other Than Solely Scheduled Service. If Company's Maintenance Services hereunder are not limited solely to Scheduled Service, the following provisions shall also apply: (a) Required restoration shall be performed by Customer at its cost prior to Company being obligated to perform hereunder; (b) any changes, adjustments, service or repairs made to the Equipment by any party other than Company, unless approved by Company in writing, may, at Company's option, terminate Company's obligation to render further service to the Equipment so affected; in such case no refund of any portion of the Service Fees shall be made; and (c) Customer shall (i) promptly notify Company of any unusual performance of Equipment; (ii) permit only Company personnel to repair or adjust Equipment and/or controls during the Term or a Renewal Term; and (iii) utilize qualified personnel to properly operate the Equipment in accordance with the applicable operating manuals and recommended procedures.

17. Remote Connectivity. Remote connectivity services refers services by Company provided, in whole or in part, using any method of connecting to Customer Building Automation System (BAS) to view, extract, or otherwise collect and retain data from the BAS via phone modem, internet or other agreed upon means. The Intelligent Services, including any reports Company provides, are intended to provide operational assessments and recommendations only and are intended to supplement, and do not replace, manual inspections of Customer's equipment and building systems. **Electronic Monitoring.** Any electronic monitoring Company performs is undertaken solely to enable Company to collect the data and perform any analysis included in Company's Services. Customer agrees that Company is not liable for inability to perform and/or losses that may occur in cases of malfunction or nonfunctioning of communications equipment, HVAC and other equipment, the energy management system, failure to identify equipment or system performance issues, failure to recommend corrective action, or otherwise related to the monitoring of Customer's equipment and building systems. **Data Collected.** Customer hereby grants to Company the irrevocable, perpetual, nonexclusive, worldwide, royalty-free right and license to use, reproduce, display, distribute internally or externally and prepare derivative works based upon any such data Company collects from Customer. Company shall not use or publish such data in any way that identifies Customer as the source of that data without Customer's prior written consent. The data Company will collect from Customer will not include any personal or individual information. Upon Customer's written request, Company will endeavor to provide an electronic copy of data collected from Customer, subject to availability. Company will use commercially reasonable efforts to store Customer's data for up to 18 months. Company cannot guarantee the availability of the data. **Data Privacy and Security.** Company has implemented various security measures for the purpose of protecting Customer's data against accidental or unlawful access, unauthorized disclosure, loss, destruction, and alteration. Customer is responsible for maintaining the confidentiality of Customer's user name(s) and password(s). Customer is responsible for all uses of Customer's password(s), whether or not authorized by Customer. Customer must inform Company immediately of any unauthorized use of Customer's user name(s) or password(s). Transmission of data over the Internet by its nature entails the use of systems under the control of third parties, and as a result Company cannot ensure total control of the security of such systems. Company will take commercially reasonable efforts to ensure that data and other configuration parameters are not visible or accessed by other customers. Customer acknowledges that the very nature of communication via the Internet restricts Company from offering any guarantee of the privacy or confidentiality of information relating to Customer passing over the Internet. In gaining access via the Internet, Customer also acknowledges and accepts that electronic communication may not be free from interference by unauthorized persons and may not remain confidential. Customer therefore accepts that access and storage of data is at Customer's own risk. Company will notify Customer of any breach in security of which Company become aware. Any breach in privacy of which Customer become aware should be reported by Customer to Company immediately. Company does not disclose Customer's information to third parties for their marketing purposes, but Company does use third party software and services to assist Company with collecting and analyzing information. Company may also disclose Customer's information if required to do so by law, in which case, Company would inform Customer of such disclosure.

18. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which Company performs the Services. Any dispute arising under or relating to this Agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Services are performed. To the extent the premises are owned and/or operated by any agency of the Federal Government, determination of any substantive issue of law shall be according to the Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the Services. Except as provided for Service Fees adjustments, this Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other Terms of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, without the written consent of Company. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original.

19. Equal Employment Opportunity/Affirmative Action Clause. Company is a federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250 in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

20. U.S. Government Services.

The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. **The following provision applies only to indirect sales by Company to the US Government.** As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Services are in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the Services that are the subject of the Proposal or this Agreement, other than the Proposal or this Agreement.

1-26.130-7 (0613)
Supersedes 1-26.130-7 (1012)

Appendix

CONTENTS:

Safety
Customer Service Flows

Safety



Trane's Safety Standard

Trane is committed to providing a safe work environment for all employees and to preventing accidents in its business operations. To accomplish our objectives Trane has instituted safety programs, procedures and training that incorporate a progressive approach to injury prevention.

Proven Safety Success

Trane's safety culture in North America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

Trane Injury Rates v. Industry Competitors

Since 2003 the US Bureau of Labor Statistics records reflect Trane's Total Recordable Rate (TRIR) and Days away from work (DAFW) rate have been significantly lower than HVAC repair and maintenance contractors and Specialty Trade contractors (construction). Trane's safety culture in America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

Trane's incident (OSHA) rates are consistently 50-70% below the industry average. This outstanding safety achievement is the end result of the rigorous team oriented approach to our safety program that creates accountability and empowerment in all employees and management and fuels our institutional safety culture. This is the key to our continual improvement.

Safety Tools, Training & Expertise

Trane's service and contracting technicians are not only among the most skilled in the industry they are also extensively trained in safe work procedures. Our technicians receive safety training, equipment, tools, procedures, and management support to identify jobsite hazards and take appropriate measures to prevent personal injuries. The resources available to Trane technicians include:

- Safety Training – 20 hrs per year, including classroom and web-based platforms.
-Topics include, but are not limited to, Lockout/Tagout, Confined Space Entry, Hazard Communication, Respiratory Protection, Hearing Conservation, Excavations, Scaffolding, Rigging, Powered Industrial Truck operation, Ladders, Vehicle Safety, Fire Protection, PPE, Emergency Response, First Aid / CPR.
- Electrical Safety – NFPA 70E compliant – electrical PPE; flame-resistant clothing; training.
- Fall Protection – full complement of fall arrest and fall restraint equipment for each technician.
- Ergonomics – custom-designed for HVAC field technicians, includes training, material handling equipment and procedures.



Safety Tools, Training & Expertise (continued)

- Smith System Safe Driving Program – Trane’s safety Managers are certified instructors; safety Managers train technicians; 1-800 “How’s My Driving?” stickers are located on the back of service vehicles.
- USDOT compliance – technicians scheduled within Material of Trade and Hours of Service limits and are fully qualified under Department of Transportation rules for driving commercial motor vehicles with GVWR >10,000 and 26,000 lbs.
- Refrigerant Management – Service technicians are trained to manage refrigerant in accordance with U.S. EPA rules using a sophisticated electronic tracking system developed by Trane.
- Empowerment - Technicians are empowered with full management support to address safety hazards as they see fit. If ever in doubt about how to do a job or task safely, the technician is required to ask a qualified person for assistance before proceeding with work.

Management Leadership and Commitment

Accident prevention is a primary responsibility of management at Trane. Trane’s safety culture is based on the following management principles:

- Leadership at the local level manages the local organization’s safety performance.
- Management is financially accountable for safety performance.
- Local management is actively engaged in risk reduction activities and training and manages safety performance outcomes.
- Management clearly communicates to all Trane employees their safety expectations and strongly enforces compliance with those expectations.
- Employees are held accountable when they fail to meet safety expectations.

Local management and supervisory personnel at the local level are responsible for implementation of the following safety program elements:

- The Safety Management System developed by Trane – developed in accordance with OHSAS 18001.
- Audits and Inspections – Supervisors, Middle and Upper Managers must conduct field inspections. Corporate Safety conducts detailed compliance and management systems audits.
- Company safety compliance programs – ensure that they are fully implemented.
- Safety and environmental performance – tracked using a Balanced Scorecard with leading and lagging indicators and metrics.
- Subcontractor Qualification – implement this process to promote safety and safety plan compliance on multi-employer job sites.
- Six Sigma and Lean – use these productivity tools to enhance safety on job sites.
- Drug and Alcohol Policy – mandatory DOT required for-cause and post-accident testing after recordable injuries and property damage.
- Motor Vehicle Records Search – annual checking of driving records of employees driving company vehicles.

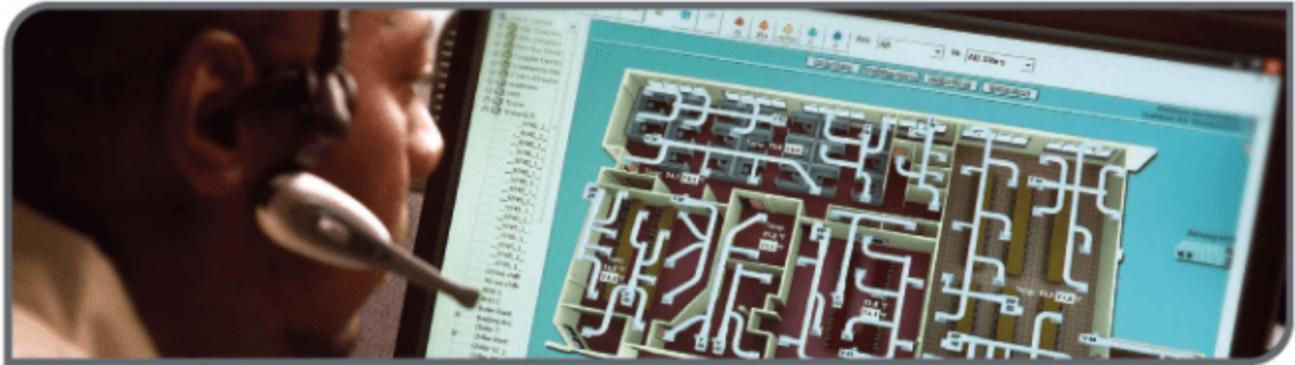
Jobsite Safety Equals Customer Value

At Trane safety is part of our culture for every employee. What this means to our customers is fewer job site accidents and the delays and liability concerns that come along with them. What this means to our staff is greater confidence in the practices and procedures they use on the job and the pride that comes from working for one of the premier service organizations in the world. Tighter safety standards and fewer accidents can also lead to better on-time project completion and higher quality results.

When you use Trane Building Services to install, maintain or upgrade your building systems you will take full advantage of our superior safety program, low incident rates and subcontractor safety management procedures. These help you manage project risk more effectively than you could using multiple contractors or even a single prime contractor with a less impressive safety record.

TRANE SCHEDULED SERVICE AGREEMENT

Customer Service Flows



The following Customer Service Flows provide additional service description detail for Covered Equipment.

Note: There may be differences per the agreement in the work being performed between sites and the equipment on those sites.

Service 1: Annual Pump Maintenance

Description

- Customer Notification
- Initial Site Inspection
- Lock Out Tag Out Pumps
- Pump Maintenance
- Remove Lock Out Tag Out
- Adjust Packing Seal
- Remove Lock Out Tag Out
- Log Pump

Service 2: Boiler Annual Maintenance

Description

- Water Boiler Maintenance Safety Check
- Shut Down Boiler
- Drain Boiler
- Boiler Internal Cleaning Natural Gas, Propane, Oil (Commercial and Industrial)
- Boiler Internal Inspection Natural Gas/Propane/Oil (Commercial and Industrial)
- External Cleaning for Natural Gas/Propane Water Boiler (Commercial and Industrial)
- Burner Safety Inspection for Natural Gas/Propane Water Boilers (Commercial and Industrial)
- Thermo Shock
- Boiler External Inspection for Water Boilers (Commercial and Industrial) (Natural Gas/Propane)

Service 3: Boiler Quarterly Maintenance

Description

- Water Boiler Maintenance Safety Check
- Shut Down Boiler
- Drain Boiler
- Boiler Internal Cleaning Natural Gas, Propane, Oil (Commercial and Industrial)
- Boiler Internal Inspection Natural Gas/Propane/Oil (Commercial and Industrial)

- External Cleaning for Natural Gas/Propane Water Boiler (Commercial and Industrial)
- Burner Safety Inspection for Natural Gas/Propane Water Boilers (Commercial and Industrial)
- Thermo Shock
- Boiler External Inspection for Water Boilers (Commercial and Industrial) (Natural Gas/Propane)

Service 4: Cooling Tower Annual Inspection

Description

- CLT-110 ANNUAL MAINTENANCE INSPECTION (BELT DRIVE TOWERS)

Service 5: Exhaust Fan Quarterly Inspection

Description

- EXHAUST FAN INSPECTION

Service 6: Humidifier Maintenance

Description

- Humidifier Maintenance
- Quarterly Cleaning the plastic probe rod assembly and housing on the Humidifiers
- Replace Humidifier Canisters as needed

Service 7: Marley Cooling Tower Mid-Season Running Inspection

Description

- CLT-130 MID SEASON RUNNING INSPECTION

Service 8: NTP Water Source Heat Pump Maintenance

Description

- Mechanical Inspection (Water Source Heat Pump)
- Inspect Reversing Valve

Service 9: Plate and Frame Heat Exchanger Maintenance

Description

- Plate And Frame Heat Exchanger Maintenance

Service 10: Quarterly Pump Maintenance

Description

- Customer Notification
- Initial Site Inspection
- Lock Out Tag Out Pumps
- Quarterly Pump Maintenance
- Pump Coupling Inspection
- Remove Lock Out Tag Out

Service 11: Split System Air Handler Cooling Pre-Season Annual Maintenance (Includes Condenser)

Description

- Unitary Visual Equipment Inspection
- Filter Inspection and Change (Generic)
- Electrical Inspection (Air Handler NTP)
- Log Unit (NTP Air Handler)
- Lock Out Tag Out Condenser
- Condenser Coil Check (Generic)
- Condenser Physical (One) Fan Check (Generic Condensing Unit)
- Electrical Inspection (Light Commercial Condensing Unit)
- Log Unit (NTP Cooling)

Service 12: Split System Air Handler Quarterly Maintenance (Includes Condenser)

Description

- Unitary Visual Equipment Inspection
- Log Unit (NTP Cooling)

Service 13: TXC Coil Inspection

Description

- Air Handler Coil Annual

Service 14: TXC Coil Inspection

Description

- Air Handler Coil Quarterly

Service 15: Unit Heater Maintenance

Description

- Unit Heater Electrical Inspection
- NTP Unit Heater Inspection (Steam/Hot Water)

Service 16: Wall Mounted Unit Heaters

Description

- Unit Heater Electrical Inspection