

CARIBBEAN ELEVATOR COMPANY LTD.

Sole Distributors of **OTIS ELEVATORS**

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November 23, 2015

Nassau Bahamas
Phone: (242) 356-8520
Fax: (242) 322-5824

Reference: **Silver Point - Elevator Modernization Proposal**

We are pleased to offer for your consideration our contract to furnish and install:

- Two (2) Elevators Elevonic RM Control Systems (West Elevator)

all in accordance with the following Scope of Work, Preparatory Work By Others, Maintenance, Schedule of Values, and Terms & Conditions.

We propose to furnish labor and material to provide a traction microprocessor-based control system. It is specifically designed to meet the particular needs of modernizing traction elevators. The system is integrated by communications over serial links and discrete wiring. The "Relative System Response Plus" software dispatches elevators based upon real-time response to actual demands on the elevator(s).

SCOPE OF WORK

DUTY

The present capacity and speed of the elevators will be retained.

TRAVEL

The present travel will be retained.

STOPS AND OPENINGS

The present stops and openings will be retained.

POWER SUPPLY

The power supply retained.

DRIVE SYSTEM (NEW)

The present motor drive system will be changed to a Variable Voltage Variable Frequency Self Commissioning Regenerative Drive.

OPERATION

The present control system will be changed to Elevonic[®] RM Microprocessor control.

CONTROLLER (NEW)

A microcomputer-based control system shall be provided to perform all of the functions of elevator motion and elevator door control. This shall include all of the hardware required to connect, transfer and interrupt power, and protect the motor against overloading. The system shall also perform car operational control.

Each controller cabinet containing memory equipment shall be properly shielded from line pollution. The microcomputer system shall be designed to accept reprogramming with minimum system downtime.

MACHINE (RETAINED)

The existing machine shall be retained.

MOTOR (NEW)

A new 500 volt Alternating Current Variable Frequency 3 phase low slip motor will be provided.

ROPE GRIPPER (NEW)

New rope grippers will be furnished and installed.

GOVERNOR (RETAINED)

Governor will be retained.

INTERLOCKS (NEW)

The present interlocks will be replaced.

DOOR PROTECTION (NEW)

A solid state, infrared passenger protection device shall be installed on the car door. This device provides 56 infrared light beams that create an invisible safety net across the elevator entrance. If these beams strike an object in the middle of the entryway, some of the light is reflected into special photo-diode receivers which scan into the entryway at a nominal 30 degree angle. If the receivers detect enough light, a reversal signal is generated to open the doors. The maximum projection of these 12 additional beams at any time is one-third of the door opening width.

If any beam is interrupted, door-reversal signal will cause the elevator doors to reopen instantly without touching the passenger. After a car stop is made, the door shall remain open for a predetermined interval before closing. If, while the door is closing, the matrix of invisible light beams is interrupted by a passenger entering or leaving the car, the door shall stop and reopen, after which the door shall again start to close.

CAR DOOR HANGER

The present car door hangers will be replaced.

CAR DOOR (NEW)

The present car doors will be replaced.

HOISTWAY ENTRANCES (RETAINED)

The present hoistway frames will be retained.

HOISTWAY DOOR HANGER

The present hoistway door hanger shall be replaced.

HOISTWAY DOORS (NEW)

The present hoistway doors will be replaced.

ROLLERS AND GIBS

Rollers and Gibs will be replaced.

HOISTWAY OPERATING DEVICES (NEW)

Terminal stopping devices shall be provided to slow or automatically stop the car at the terminal landings and to automatically cut off the power and apply the brake, should the car travel beyond the terminal landings.

CAR GUIDES (RETAINED)

The existing car guides shall be retained.

CAR FRAME AND SAFETY (RETAINED)

The existing car safety device, designed to stop the car if it attains a descending speed in excess of the preset contract speed, shall be retained.

ROPES (NEW)

The existing hoist ropes shall be replaced.

PLATFORM (RETAINED)

The car platform will be retained and reused in place.

**In the event that the property plans on replacing the existing tile floor of the cab interior a change order will be provided to replace this sub floor if and only if it is determined to not be stable once the existing floor is removed. Additional costs will then be applied. We can only determine if this layer of subflooring needs to be upgraded once the existing flooring is removed.

CAR ENCLOSURE (RETAINED)

The present car enclosure shall be retained.

**A change order will be provided for the cab interiors (wall paneling, hand rails, lighting, etc.) with additional costs.

LOAD-WEIGHING DEVICE (NEW)

A platform load weighing device set to operate at a predetermined fixed percentage of the car load shall be provided.

FLOORING (RETAINED)

The present flooring will be retained.

PIT SWITCH (NEW)

An emergency stop switch shall be located in the pit and accessible from the pit access door.

BUFFERS (RETAINED)

The existing buffers shall be retained.

CAR FIXTURES

APPLIED CAR OPERATING PANEL (NEW)

An applied car operating panel shall be furnished. The panel shall contain a bank of mechanical illuminated buttons marked to correspond with the landings served, an emergency call button, emergency stop button, door open and door close buttons, and a light switch. The emergency call button shall be connected to a bell that serves as an emergency signal. A fan switch, if optional fan is provided, shall also be located in the car operating panel. All buttons, when applicable, to be long life LED illumination.

CAR POSITION INDICATOR (NEW)

A car position indicator shall be installed. The position of the car in the hoistway shall be shown by illumination of the indication corresponding to the landing at which the car is stopped or passing.

AUDIBLE SIGNAL (INDICATES PASSING OR STOPPING AT A LANDING)

An audible signal shall sound in the car to tell passengers that the car is either stopping or passing a landing served by the elevator.

"IN-CAR" DIRECTION LANTERNS (NEW)

Direction lantern(s) shall be mounted in car entrance jamb(s), visible from the corridor, which when the car stops and the doors are opening, shall indicate the direction the car is traveling. A chime shall also be furnished on the car that will sound once for the "UP" direction and twice for the "DOWN" direction as the doors are opening.

HALL FIXTURES

HALL BUTTONS / STATIONS (NEW)

New hall buttons and housings shall be installed at each landing. An up button and a down button at each intermediate landing and a single button at each terminal landing shall be installed.

A call shall be registered by momentary pressure of a landing button. The button shall become illuminated and remain illuminated until the call is answered. All buttons, when applicable, to be long life LED illumination.

HALL POSITION INDICATOR (NEW-LOBBY)

Hall position indicators with stainless steel faceplates shall be installed at lobby landing(s). The position of the car in the hoistway shall be shown by the illumination of the indicator corresponding to the landing that the car is stopped or passing.

(OPTIONAL) CAB INTERIORS (STANDARD)

Otis will renovate the above referenced elevators with the Interiors Package. The renovation shall include the following:

New cab interior panels – The existing elevators shall have the (existing panels removed, interior walls prepared) to accommodate the Interiors Package. This shall include a modular horizontal panel system that spans the full width of the wall sections. (Plastic Laminate, Satin stainless steel, Satin bronze) reveals shall be installed in the corners and against the return and strike jamb portions of the interior. Panels shall be finished in plastic laminate as selected from our standard laminate selections. The base shall be finished in (plastic laminate, satin stainless steel, satin bronze). (We shall furnish a one-eighth inch satin stainless steel inlay in the horizontal reveals between each panel.)

Handrail – (The existing, New satin stainless steel, New satin bronze) handrails shall be mounted to the new interior panels on the (rear wall, side walls) in accordance with ADA requirements and local governing codes.

Alternate # 1 Cab Interior Upgrades \$17,000.00 per elevator _____ Initial

**can be completed during modernization of second car.

LABOR

Price is based upon Local Bahamian labor to install modernization. If US labor required additional rates may apply.

WIRING

All wiring and electrical interconnections shall comply with governing codes. Insulated wiring shall have flame retardant and moisture-proof outer covering and shall be run in conduit, tubing or electrical wireways. Traveling cables shall be flexible and suitably suspended to relieve strain on individual conductors.

ENGINEERING DESIGN

All new material furnished shall be specifically designed to operate with the original Otis equipment being retained, thus assuring maximum performance and eliminating any divided responsibility.

SUPERSEDED MATERIAL

All material, removed or unused, not required in the modification will become the property of Otis Elevator Company and we reserve the right to remove and retain it.

PERMITS AND INSPECTIONS

The elevator contractor shall furnish all licenses and permits and shall arrange for and make all required inspections and tests.

CODE

The elevator equipment shall be furnished and installed in accordance with the applicable version of the ASME/ANSI A17.1 Safety Code for Elevators and Escalators, An American National Standard, including the latest Supplement, and the Americans with Disabilities Act.

WORK BY OTHERS

The following items must be performed by others and you agree to:

Provide suitable ventilation and cooling equipment, if required, to maintain the machine-room temperature between 45°F and 95°F. The relative humidity should not exceed 85 percent non-condensing.

Provide electrical power for light, tools, hoists, etc. during installation as well as electric current for starting, testing and adjusting the elevator.

Provide a smoke detector system, located as required with wiring from the sensing devices to each elevator controller.

Do any cutting, including cutouts to accommodate hall signal fixtures, patching and painting of walls, floors or partitions.

MAIN DISCONNECT

Provide a fused disconnect switch or circuit breaker for each elevator per the National Electrical Code with feeder or branch wiring to the transformer. Size to suit elevator contractor.

HALL BUTTON POWER SUPPLY & DISCONNECT

Provide separate single-phase power of the same voltage as each elevator supply with a 15 amp DPST fused disconnect switch and branch wiring to each group controller (required for two to eight car groups only).

CAR LIGHT POWER SUPPLY & DISCONNECT

Provide a 120 volt AC, 15 amp, single-phase power supply with fused SPST disconnect switch for each elevator, with feeder wiring to each controller for car lights.

Any modification or installation of lights and/or electrical outlets in the machine room and/or pit to be performed by others.

We shall not be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to, acts of government, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief or act of God. Under no circumstances shall we be liable for consequential damages.

RE-MOBILIZATION

You agree to pursue and schedule the work by other trades in a timely manner so as to not interrupt our work. Should our crew(s) have to pull off the job waiting on work by others not in our contract, we shall be entitled to a re-mobilization charge of **Two Thousand Five Hundred (\$2,500) Dollars**. We shall also extend the stated durations to the extent that we are delayed.

** Denotes existing proposal will already have been approved for the elevator modernization and a change order will be provided for cab renovations (walls, ceilings, flooring, etc.). Additional cost will be provided upon cab selections by property.

****Prices do not include VAT and Duties. Silver point may provide bond number to provide duty free shipping.

SCHEDULE OF VALUES

Description	Percent of Total Contract Value / Billing Cycle	Percent of Total Contract Value / Billing Cycle
Design, Engineering & Material Procurement	30%	Billed upon award. Orders will be placed upon receipt of the payment.
Factory Material	30%	Billed the month before shipment occurs. Due the month material is delivered. Installation will not commence until the material is paid for.
Installation Labor	30%	Billed each month as work progresses. Additional invoices may occur between these milestones.
Retention	10%	To be paid within 30 days of turnover of elevator.

TWO HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED FIFTY SIX DOLLARS [\$281,156.00]

All work will be performed during regular working days and hours of the Elevator Trade. Special orders are not returnable. All prices are valid for 30 days from the date of this proposal.

Sincerely,
 Anthony Mazzola
 Service Account Manager

Company: **Silver Point**

Company: **Caribbean Elevator Company, Ltd.**

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

TERMS AND CONDITIONS

The work shall be performed for the agreed price plus any applicable sales, excise or similar taxes as required by law.

In addition to the agreed price, you shall pay to us any future applicable tax imposed on us, our suppliers or you in connection with the performance of the work described.

This quotation is subject to change or withdrawal by us prior to acceptance.

We warrant to you that the work performed by us hereunder shall be free from defects, not inherent in the quality required or permitted, in material and workmanship for one (1) year from the date of substantial completion. Our duty and your remedy under this warranty are limited to our correcting any such defect you report to us within the warranty period by, at our opinion, repair or replacement, provided all payments due under the terms of this contract have been made in full. All parts used for repair or replacement under this warranty shall be good quality and furnished on an exchange basis. Printed circuit boards used for replacement parts under this warranty may be refurbished boards. Exchanged parts become our property.

We shall perform the work during our regular working hours of our regular working days unless otherwise agreed in writing. You shall be responsible for providing suitable storage space at the site for our material.

You shall obtain title to all the equipment furnished hereunder when final payment for such material is received by us. In addition, you shall be granted a license to use any software incorporated into any such equipment solely for operating such equipment.

Any drawings, illustrations or descriptive matter furnished with the proposal are submitted only to show the general style, arrangement and dimensions of the equipment.

Payments shall be made as follows: A down payment of thirty percent (30%) of the price shall be paid after we have completed processing your equipment requirements, and orders are placed; the balance shall be paid on completion if the work is completed within a thirty day period. If the work is not completed within a thirty day period, monthly progress payments shall be made based on the value of any equipment ready or delivered, if any, and labor performed through the end of the month less a five percent (5%) retainage and the aggregate of previous payments. The retainage shall be paid when the work is completed. We reserve the right to discontinue our work at any time until payments shall have been made as agreed and we have assurance satisfactory to us that subsequent payments will be made when due. Payments not received within thirty (30) days of the date of invoice shall be subject to interest accrued at the rate of eighteen percent (18%) per annum or at the maximum rate allowed by applicable law, whichever is less. We shall also be entitled to reimbursement from you of the expenses, including attorney's fees, incurred in collecting any overdue payments.

Any material removed by us in the performance of the work shall become our property.

Our performance is conditioned upon your securing any required governmental approvals for the installation of any equipment provided hereunder and your providing our workmen with adequate electrical power at no cost to us with a safe place in which to work, and we reserve the right to discontinue our work in the building whenever in our opinion working conditions are unsafe. If overtime work is mutually agreed upon and performed, an additional charge thereof, at our usual rates for such work, shall be added to the contract price.

The performance of our work hereunder is conditioned on your performing the preparatory work and supplying the necessary data specified on the front of this proposal or in the attached specification, if any. Should we be required to make an unscheduled return to your site to begin or complete the work due to your request, acts or omissions, then such return visits shall be subject to additional charges at our current labor rates.

We shall retain a security interest in all material furnished hereunder and not paid for in full. You agree that a copy of this Agreement may be used as a financing statement for the purpose of placing upon public record our interest in any material furnished hereunder, and you agree to execute a UCC-1 form or any other document reasonably requested by us for that purpose.

Except insofar as your equipment may be covered by an Caribbean Elevator maintenance or service contract, it is agreed that we will make no examination of your equipment other than that necessary to do the work described in this contract and assume no responsibility for any part of your equipment except that upon which work has been done under this contract.

Neither party shall be liable to the other for any loss, damage or delay due to any cause beyond either parties reasonable control, including but not limited to acts of government, strikes, lockouts, other labor disputes, fire, explosion, theft, weather damage, flood, earthquake, riot, civil commotion, war, mischief or act of God.

We do not agree under our warranty to bear the cost of repairs or replacements due to vandalism, abuse, misuse, neglect, normal wear and tear, modifications not performed by us, improper or insufficient maintenance by others, or any cause beyond our control.

We shall conduct, at our own expense, the entire defense of any claim, suit or action alleging that, without further combination, the use by you of any equipment provided hereunder directly infringes any patent, but only on the conditions that (a) we receive prompt written notice of such claim, suit or action and full opportunity to assume the sole defense thereof, including settlement and appeals, and all information available to you for such defense; (b) said equipment is made according to a specification or design furnished by us; and (c) the claim, suit or action is brought against you. Provided all of the foregoing conditions have been met, we shall, at our own expense, either settle said claim, suit or action or shall pay all damages excluding consequential damages and costs awarded by the court therein and, if the use or resale of such equipment is finally enjoined, we shall at our option, (i) procure for you the right use of the equipment, (ii) replace the equipment with equivalent noninfringing equipment, (iii) modify the equipment so it becomes noninfringing but equivalent, or (iv) remove the equipment and refund the purchase price (if any) less a reasonable allowance for use, damage or obsolescence.

THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT ARE THE EXCLUSIVE WARRANTIES GIVEN: WE MAKE NO OTHER WARRANTIES EXPRESS OR IMPLIED, AND SPECIFICALLY MAKE NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE; AND THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ANY SUCH WARRANTIES AND ANY OTHER OBLIGATION OR LIABILITY ON OUR PART.

Under no circumstances shall either party be liable for special, indirect, liquidated, or consequential damages in contract, tort, including negligence, warranty or otherwise, notwithstanding any indemnity provision to the contrary. Notwithstanding any provision in any contract document to the contrary, our acceptance is conditioned on being allowed additional time for the performance of the Work due to delays beyond our reasonable control.

Your remedies set forth herein are exclusive and our liability with respect to any contract, or anything done in connection therewith such as performance or breach thereof, or from the manufacture, sale, delivery, installation, repair or use of any equipment furnished under this contract, whether in contract, in tort, in warranty or otherwise, shall not exceed the price for the equipment or services rendered.

It is agreed that after completion of our work, you shall be responsible for ensuring that the operation of any equipment furnished hereunder is periodically inspected. The interval between such inspections shall not be longer than what may be required by the applicable governing safety code.

By accepting delivery of parts incorporating software you agree that the transaction is not a sale of such software but merely a license to use such software solely for operating the unit(s) for which the part was provided, not to copy or let others copy such software for any purpose whatsoever, to keep such software in confidence as a trade secret, and not to transfer possession of such part to others except as a part of a transfer of ownership of the equipment in which such part is installed, provided that you inform us in writing about such ownership transfer and the transferee agrees in writing to abide by the above license terms prior to any such transfer.

Our work shall not include the identification, detection, abatement, encapsulation or removal of asbestos, polychlorinated biphenyl (PCB), or products or materials containing asbestos, PCB's or other hazardous substances. In the event we encounter any such product or materials in the course of performing work, we shall have the right to discontinue our work and remove our employees from the project until you have taken the appropriate action to abate, encapsulate or remove such products or materials, and any hazards connected therewith, or until it is determined that no hazard exists (as the case may require). We shall receive an extension of time to complete the work hereunder and compensation for delays encountered as a result of such situation.

This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and may not be modified by any terms on your order form or any other document, and supersedes any prior written or oral communication relating to the same subject. Any amendment or modifications to this Agreement shall not be binding upon either party unless agreed to in writing by an authorized representative of each party. Both parties agree that any form issued by you that contains any terms that are inconsistent with those contained herein shall not modify this Agreement, nor shall it constitute an acceptance of any additional terms.