

EXTENDED CARE

Service Agreement

EXTENDED CARE

Number:

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NOTE:

When Machinery is out of warranty period and not covered by EXTENDED CARE maintenance agreement, Machinery shall be inspected and noticed failures repaired by SVS ### before validation of EXTENDED CARE maintenance agreement. Inspection and repair work and parts shall be charged at standard rate of SVS ###.

Parties of the Agreement

(DELETED)

The End User and SVS ### are hereinafter referred to as "the Parties" or "a Party". Parties have concluded following agreement, hereinafter referred to as "the Agreement".

Object of the Agreement

Agreement is allocated to the following Costa sheet metal processing Machines, hereinafter referred to as the "Machinery" or separately as "Machine".

Machine type

Serial number

Corrective maintenance (CM)

SVS ### shall be responsible to carry out corrective maintenance and deliver spare parts needed to upkeep the Machinery. Corrective maintenance is covered by the Agreement. Delivery term for spare parts is DAP, Pärnu. Consumables specified in appendix "Consumables" are not covered by the Agreement.

The End User is responsible to return any exchanged spare part when requested by SVS ###.

Hotline 247 support

		When Hotline 247 service is included, SVS ### shall arrange Hotline 247 service, which extends technical support outside normal office hours, providing total 24 hours service daily.	Service time	Telephone number
X	INCLUDED		24 hours every day	Hotline in Estonia +372 56 55 044 Monday – Friday 08:00 – 19:00

Discount

SVS ### allows	According to separate price list	Discount for labor, which is not covered by the Agreement.
	15%	Discount for spare parts, which are not covered by the Agreement.

General terms	
General Terms of Preventive Care and Extended Care service agreements are valid and enclosed to this Agreement.	

Other terms	
Contract is Valid until the end of the year	

Agreement fee / Terms of payment			
Agreement fee:	EUR		+ VAT
SVS ### shall invoice agreement fee as follows:			
Invoice date	Payment term	Instalment fee	
	30 days net	100%	

Signatures	
This Agreement has been drawn up in two identical copies, one for the End User, another for SVS ###.	
End User	SVS ###
Signature	Signature
Name	Name
Date	

Appendix: General Terms of SVS ### maintenance agreement.

1. Preventive maintenance (PM)

a) Definition: Preventive maintenance is based on the maintenance plan of the Machinery in order to prevent a failure or to detect a failure early. Preventive maintenance is carried out at fixed calendar time or at specific number of running hours. Preventive maintenance includes: provision and replacement of fixed time maintenance (FTM) parts, checking the condition of the Machinery according to the checklist, functional check, adjustments, lubrication and recommendations of actions to be taken. FTM parts, preventive maintenance labour and distance costs are included in the Agreement.

b) Operation: SVS ### shall be responsible for carrying out the preventive maintenance. Type and quantity of preventive maintenance visits are specified in the Agreement. SVS ### shall carry out preventive maintenance according to action list. SVS ### shall replace FTM parts specified in the Agreement.

2. Corrective maintenance (CM)

NOTE: Corrective maintenance is included in EXTENDED CARE -maintenance agreement, but not in PREVENTIVE CARE.

a) Definition: Corrective maintenance is any maintenance, which is required to correct a failure that has occurred or is in the process of occurring. Corrective maintenance includes: fault tracing, remedy of the defect, provision and replacement of spare parts and functional check. In case of EXTENDED CARE maintenance agreement, corrective maintenance, including parts (CMP), labour (CML) and distance costs (CMD) are included in the agreement, providing fixed maintenance costs for the End User.

b) Operation: In case of EXTENDED CARE maintenance agreement SVS ### shall carry out corrective maintenance needed to upkeep the machinery. If the Machinery breaks down or works unsatisfactorily, the End User shall inform SVS ### without undue delay. The End User shall inform SVS ### of any malfunctions, damages and the circumstances causing them without delay. End User shall, when requested for his part, ensure that the End User duly informs and during the maintenance gives a proper demonstration of how the fault or defect occurs or manifests itself. SVS ### can use Tele Service to analyze the failure.

3. Hotline 247

a) Definition: SVS ### provides technical telephone support to End User related to technical problems of the Machinery. Technical support during normal office hours are provided by local SVS ### by local language. By Hotline 247 –option technical support can be extended to cover daily 24 hours.

b) Operation: When Hotline 247 –option is included in the Agreement technical telephone support outside normal office hours are covered by SVS ### global support 24 hours daily. Hotline 247 service language is normally English.

c) General terms of Hotline 247 service: SVS ### shall make its best effort to assist, analyze and make recommendations to find solution to problem. However SVS ### can not guarantee that provided information is error-free, or shall fix the problem or have any certain result. Hotline 247 service shall not affect to warranty by any means. Hotline 247 service does not replace or include technical training by SVS ###. End User may designate authorized callers to use Hotline 247 service. End User may change its authorized caller at any time by written notice to SVS ###.

4. Availability guarantee

a) Definition: Availability is the time when the Machinery is technically available for production compared to planned production time expressed as percentage. Any cause mentioned in this document, clause “Limitation of corrective maintenance cover” is not counted as down time, when availability is calculated.

b) Operation: Availability is calculated in 3 months periods. Agreement fee depends on calculated availability. Instalment fee is multiplied by factor K, where K is function of availability as separately specified in the agreement. Down time calculation is started when e-mail fault description is received by SVS ###. Down time is ended when Machinery is back in working condition.

5. Tele Service Support
When specified in the Agreement SVS ### shall assist the End User during machine down situations by trying to analyze the fault using Tele Service connection. Tele Service Support is available during regular working hours of SVS ###.
6. Agreeing dates of preventive maintenance
The End User shall ensure that the dates for preventive maintenance shall be agreed upon well on time and at least ten (10) working days before the performance of the maintenance. When reporting of a fault or when ordering preventive or corrective maintenance the form in accordance with the appendix shall always be used. The End User shall send the form by a fax or email using contacts indicated in the Agreement.
7. Co-ordination of preventive and corrective maintenance
If corrective maintenance is carried out shortly before preventive maintenance is due, SVS ### may, with the End User's consent, thereby also carry out the preventive maintenance. For such co-ordinated maintenance SVS ### may not charge the End User for any costs which are already covered by the agreed fee for preventive maintenance.
8. Working hours
Unless otherwise agreed, the maintenance shall be carried out during normal working hours of SVS ###.
9. End User's contact person
The End User shall designate the authorised contact person/persons who shall be responsible about implementation of the Agreement. The End User shall ensure that they are authorised to accept and sign the service report.
10. Customary materials
The End User shall ensure that all the necessary and customary materials and accessories (such as grease, oil, water, backup disks, etc) for the maintenance work are available free of charge.
11. Reclamation of the maintenance work
Should there be a need to make reclamation about the maintenance work carried out, The End User shall be responsible to do so within the reasonable time and manner.
12. Service Report
SVS ### shall make a report in writing containing his observations and the measures taken. SVS ### shall provide a copy of the report to the End User each time he has performed maintenance work.
13. Tele communication link
The End User shall ensure that the End User obtains and maintains the telecommunication link necessary for the Tele Service at his expense. Either party shall for his part ensure that he has the equipment, software and data security required by the Tele Service.
14. Access to the Machinery
The End User shall give free and safe access to the installation of the Machinery to SVS ### and to those engaged by him on the Agreement.
15. Spare parts
NOTE: This clause is valid only with EXTENDED CARE –maintenance agreement.
SVS ### shall deliver spare parts needed for preventive and corrective maintenance as in detail specified in the Agreement. When ordering spare parts the End User shall refer to the number of the Agreement.
16. End User's own maintenance actions
The End User shall be responsible for maintenance actions resting with the machine operator of the Machinery (such as daily maintenance and the refinement of the Machinery) always in accordance with the instructions of the maintenance manual of the Machinery.

17. Tasks not included in the Agreement

If not otherwise agreed, following tasks are falling outside the scope of the Agreement:

- Repairs of appearance.
- Modifications and supplements to the Machinery.
- Work due to change of the installation site of the Machinery.
- Normal refinement of the Machinery being the task of the operator.
- Updating the external programming system.
- Expenses of consumables, which are listed separately.
- Expenses caused by technical modifications of the Machinery and that are carried out at the request of the End User. - Production use and End User applications.
- Repair of faults caused by error in application program, by operator error or by careless use of the Machinery.

18. Limitations to corrective maintenance cover

NOTE: This clause is valid only with EXTENDED CARE –maintenance agreement.

Corrective maintenance (parts and/or labour) specified in the Agreement shall not extend to any Machinery or spare part which has been:

- Subjected to unusual physical or other stress (e.g. from electricity, gas, water or compressed air), misuse, neglect, accident or abuse, or damaged by any other external causes;
- Repaired, altered or maintained by any other party than SVS ### authorized service provider; - Improperly installed by any third party;
- Installed on foundations or in environmental conditions which are not in accordance with specifications;
- Used or maintained in violation of instructions furnished by SVS ###;
- Use of other spare parts than original SVS ### spare parts, components or design provided by any third party; - Repair of faults caused by error in application program, by operator error or by careless use of the Machinery.
- Expenses of consumables, which are listed separately;
- In need of repair due to any other cause which is not under the control of SVS ###.

19. Force Majeure

Any Party shall be released from performance of its obligations under the Agreement when the performance of the Agreement is impeded by a reason of force majeure or any event that is beyond the reasonable control of the Party (e.g. strike, industrial dispute, data communications breakdown, fire, theft, water damage, sabotage, vandalism, etc.) that the party in breach could not reasonably be expected to have taken into account and which consequences the Party in breach could not reasonably have prevented. The party claiming force majeure circumstances must give prompt notice thereupon. If such circumstances continues for a period of three (3) months or more either party shall be entitled to terminate the Agreement by notice in writing without incurring further liability.

20. Secrecy

The Parties commit themselves to observe secrecy concerning the commercial and technical information that comes to the parties' knowledge during validity of the Agreement. The secrecy obligation continues even after the termination of the Agreement. If any Party wants to use the contents of the Agreement for any other purpose than the original one, they need a written consent from the other Party / other Parties.

21. Modification of the Agreement

Any additions and amendments or modifications to the Agreement and its appendixes shall only be binding if the Parties accept them in writing prior they are added to the Agreement by the Parties.

22. Alterations to the Machinery

The End User shall advise SVS ### immediately in writing of all alterations to the Machinery, its installation or site or to the conditions of its use likely to affect the maintenance to be provided under the Agreement. In such circumstances SVS ### shall be entitled to an appropriate revision of the price or, if such alterations have adverse effect to the SVS ###'s obligations under the Agreement, terminate the Agreement by 30 days notice in writing.'

23. Assignment

The End User shall not be entitled to assign the Agreement to a third party without the prior written consent of SVS ###.

24. Disputes

All disputes arising in connection with the Agreement shall be tried to be settled through the mutual negotiation between the parties. In case the negotiations do not lead to a conclusion satisfying both of the parties, the disputes shall be finally settled under the rules of the Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said rules. The law in force at the registered office of SVS ### shall be applied to this Agreement.

25. Duration / Termination of the Agreement

Normal duration of the Agreement shall be specified in the Agreement. After the expiry of the Agreement the liabilities and obligations of the Parties shall cease. Any party has the right to terminate the Agreement with immediate effect, if secrecy clause is violated, if the Agreement fee has not been paid in due time, if a Party is declared bankrupt, placed into liquidation or he otherwise has fundamental or serious financial difficulties to perform his duties under this Agreement.

26. Damages

After the expiration or termination of the present Agreement for whatsoever cause, any Party shall not be entitled an indemnity nor shall they have a right to claim for damages or similar compensation for any economic loss or other damage in case of the expiration or termination.

27. Limitation of liability

So far as permitted by applicable law, SVS ###'s liability shall be limited as follows:

SVS ### shall not be liable for any loss of production, loss of profit or any other consequential loss that may be suffered by other party.