# SERVICE AGREEMENT - GENERAL CONDITIONS



The parties agree that the purchase of Services from Tennant Company (hereby referred to as The Supplier) are subject to the terms below and The Supplier's General Terms and Conditions (Services), in effect as of the date of this document, which are located at <a href="http://www.tennantco.com/terms">http://www.tennantco.com/terms</a> and are incorporated by reference into this and any later contract. Printed general terms and conditions are available upon request.

## **ARTICLE 1 - Service Products**

- 1.1 Preventative Maintenance: PRO FIX and PRO VAR. The Supplier will provide the Customer with a mutually agreed and defined number of preventative maintenance visits per year. PRO FIX service fees are fixed in the Equipment Schedule, and PRO VAR service fees are variable at The Supplier's rates in effect on the date of the service call.
- 1.2 Full Service Maintenance: PRO 24, PRO 48 and PRO 72. The Supplier will provide the Customer with Scheduled or SMART PM (Preventative Maintenance) visits and corrective (Breakdown) service based upon factors such as equipment model and the type of application in which the equipment is used. Customer may request corrective service in a written work order submitted by email or by phone to The Supplier's Customer Service Department. Pro24 is not available on all products.
- 1.3 Conditions and Exclusions. All service products (described above) and service options (described below) are subject to the conditions and exclusions set forth in this agreement.

**ARTICLE 2 – Service Options.** The following suite of Service Options are offered for purchase depending on the Service Product chosen:

	SERVICE PRODUCT					
SERVICE OPTION	PRO 24	PRO 48	PRO 72	PRO Fix	PRO Fix	PRO Var
Service Management Reporting	Optional	Optional	Optional	$\times$	> <	> <
Weekend Coverage	Optional	$\times$	><	> <	$\times$	$>\!\!<$
Fixed Contract Pricing	Optional	Optional	Optional	Optional	Optional	> <
Monthly Billing	Required	Required	Required	Optional	Optional	$>\!\!<$
Heavy Duty Circumstances	Optional	Optional	Optional	> <	$>\!\!<$	$>\!\!<$
Batteries & Engines	Optional	Optional	Optional	$\supset \subset$	> <	> <
Wear Parts & Consumables	Optional	Optional	Optional	Service Parts During PM	><	> <
PAT Testing	Optional	Optional	Optional	Optional	Optional	Optional
ATLAS Telemetry	Optional	Optional	Optional	Optional	Optional	> <
Accidental Damage & Misuse	Optional	Optional	Optional	$\supset \subset$	> <	> <
Bridging Machines	Included	Included	> <	> <	> <	$>\!\!<$
Ongoing Operator Training	Included	Included	> <	$\supset \subset$	> <	> <
Repair & Maintenance Parts	Included	Included	Included		><	> <
Scheduled PM Visits	Optional	Optional	Optional	Included	Included	Included
SMART PM Visits	Optional	Optional	Optional	> <	> <	> <
Labour	Included	Included	Included	PM Labour Only	PM Labour Only	> <
Call Out	Included	Included	Included	> <	> <	> <

- 2.1 Service Management Reporting. For Customers that purchase the Service Management Reporting service option, The Supplier will provide reporting 4 (four) times per Year that will enable the Customer to manage and, where possible, reduce additional repair costs associated with the equipment.
- 2.2 **Weekend Coverage**. For Customers that purchase the Weekend Coverage service option, The Supplier will extend its corrective service availability to seven (7) days per week, between 08:00 and 17:00 including public holidays.
- 2.3 Fixed Contract Pricing. If the Customer has opted for fixed contract pricing, the price will remain unchanged during the contract period. If the Customer hasn't opted for fixed contract pricing, at the commencement of the second and each subsequent year of operation of the Contract, the charges will be increased by the average of the Consumer Price Index (CPI) and Retail Price Index (RPI) over the preceding twelve months, such increases to be accumulative from year to year. This data is published by The Office For National Statistics.

Customers, whose contracts commence between July 1 and December 31, will not be subject to an increase until the second January 1 to occur following contract commencement.

2.4 Monthly Billing. For Customers that purchase PRO 24, PRO 48 or PRO 72, monthly billing is required. For Customers that purchase PRO Fix,

monthly billing is optional except where ATLAS Telemetry is selected where monthly billing is mandatory.

- 2.5 Heavy Duty Circumstances. For Customers that purchase the Heavy Duty Circumstances service option, The Supplier will provide brushes, squeegee blades and side skirts (if the Wear Parts/Consumables service option is selected) suitable for Heavy Duty Circumstances. These include, as an example, Tynex brushes and polyurethane squeegee blades and side skirts. There will also be an additional allowance for normal wear and tear for these items.
- 2.6 Batteries & Engines. For Customers that purchase the Batteries or Engines service option, The Supplier will replace a machine's battery or Engine due to battery or engine failures arising from normal use. Customer's failure to comply with the original battery or engine manufacturers' recommendations voids this coverage.
- 2.7 Wear Parts & Consumables. For Customers that purchase the Wear Parts & Consumables service option, The Supplier will provide and replace Wear Parts & Consumables pursuant to normal wear and tear in line with the table below. At The Supplier's commercially reasonable discretion, usage of such Wear Parts & Consumables in excess of normal wear and tear, may be billable to the Customer and will be charged at the price in effect at the time the Wear Parts & Consumables are replaced. Usage of such Wear Parts & Consumables is calculated using the defined usage band and environment and is defined in the table below.

		USAGE	BAND 0	USAGE	BAND 1	USAGE BAND 2		USAGE BAND 3	
Part Type	Quantity	Normal	Heavy Duty	Normal	Heavy Duty	Normal	Heavy Duty	Normal	Heavy Duty
Brushes	(per set)	3	4	5	8	10	15	15	20
Pad drivers	(per set)	1	1	1	1	1	1	1	1
Skirts	(per set)	3	4	5	8	10	15	15	20
Squeegees	(per set)	3	4	5	8	10	15	15	20

- 2.8 PAT Testing. For Customers that purchase the PAT Testing service option, periodic PAT Testing will be carried out as part of Scheduled or SMART PM visits.
- 2.9 **ATLAS Telemetry.** For Customers that purchase the ATLAS Telemetry service option, a subscription fee will be charged as part of the monthly billing associated with the service contract.
- 2.10 Accidental Damage & Misuse. For Customers that purchase the Accidental Damage & Misuse service option, The Supplier will cover basic damage and misuse. The Supplier will not cover serious damage or repeated minor damage and repeated operator misuse. Machine misuse is described as using the machine to perform tasks not described in the Operators Manual or failure to follow the operator's daily maintenance checklist. Charges may be raised for these but this will be discussed with the customer in the first instance.
- $2.11 \ \textbf{Bridging Machines.} \ \text{See Article 3 Machine Substitutions}$
- 2.12 Ongoing Operator Training. Ongoing Operator Training for previously trained and Tennant certified Operators can be provided during PM Visits for Customers with PRO 24 or PRO 48 service agreements. A maximum of 6 new Operators can be trained and certified during a single training session during normal working hours at the Customers prevailing call out and labour rates
- 2.13 Repair & Maintenance Parts. For Customers whose Service Product includes the Repair & Maintenance Parts service option, The Supplier will provide preventative and/or corrective maintenance replacement parts for the whole machine, excluding Wear Parts & Consumables (per Article 2.7) and other excluded parts (per Article 6).
- 2.14 **Labour**. For Customers whose Service Product includes the Labour service option, The Supplier's representative will provide the labour required as long as the work required is not caused by damage or misuse.
- 2.15 **Call Out.** For Customers whose Service Product includes the Call Out service option, The Supplier's representative will make a physical or virtual site visit, which may be in person, via telephone, or via virtual remote assistance as long as the work required is not caused by damage or misuse. For machines with autonomous functionality, contact should be established via Telefix while the machine is enabled. Skipping Telefix makes intervention billable.

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- 2.16 **Response Time**. For Customers that purchase a PRO 24 Service Product, The Supplier will respond to a service inquiry before 06:00 the following day providing the Customer places a service call before 10:00. For customers that purchase a PRO 48, PROFIX or PROVAR service product the response time will be within forty eight (48) hours. For Customers that purchase a PRO 72 Service Product, The Supplier will respond to a service inquiry within seventy two (72) hours from the time the Customer places a service call to The Supplier.
- 2.17 Scheduled or SMART PM Visits. Scheduled PM Visits take place at mutually agreed and defined months of the Year regardless of any breakdown visits taking place. SMART PM Visits are planned to take place a preset number of days following the last visit to a machine. If a breakdown visit takes place before the next planned SMART Maintenance Visit is completed the SMART Maintenance Visit is automatically rescheduled. SMART Maintenance Checks take place during every visit to a machine regardless of whether it is a planned SMART Maintenance Visit or a breakdown
- **ARTICLE 3 Machine Substitutions.** The Supplier may, in its sole discretion, make available to PRO 24 and PRO 48 Customers a temporary replacement or substitute machine excluding outdoor equipment. If, after the point of fault diagnosis by The Supplier, the machine is unable to clean for more than 48 hours, The Supplier can provide, on request, a free of charge suitable loan machine, provided that the repairs required are not due to damage or misuse. Any damage resulting from the use of loaned equipment and any repair resulting from misuse will be billed to the Customer. A bridging machine will not have autonomous functionality.
- **ARTICLE 4 Hours and Locations.** PM and corrective services will be performed between 08:00 and 17:00, Monday through Friday, excluding public holidays (unless the Weekend Coverage service option is selected). Generally, The Supplier will conduct PM or corrective services at Customer's facility; however, if in The Supplier's reasonable judgment such work is not practical, the Equipment will be repaired at The Supplier's nearest service center.
- ARTICLE 5 Customer's Responsibilities. Customer is responsible for performing routine maintenance according to the schedule and procedures set forth in the operator manuals. Customer agrees to: (a) make equipment at each site available to The Supplier's maintenance personnel during each scheduled visit; (b) make available to The Supplier its personnel and information and records regarding the Equipment performance and maintenance to assist The Supplier in diagnosing any performance issues; (c) provide The Supplier with suitable covered space and facilities at its location to properly perform the services; and (d) ensure that equipment is clean, drained, emptied of debris, and otherwise properly prepared for service. In the event of a roadside breakdown, Customer shall be responsible for the safe recovery of the equipment to a workspace that is secure and suitable for the service work. To the extent possible, Customer will arrange with The Supplier to schedule service for all machines in a location to be performed on a single visit. Furthermore, Customer understands the importance of keeping The Supplier informed of the location and ownership of the machines, including substitute machines, under contract and will provide The Supplier with 30-day advance notice, by regular mail addressed to Service Manager UK, Tennant UK, Gladstone Road, Northampton, NN5 7PP of any change in the following: (i) change in ownership of the machine, including any assignment of ownership to a third party Lessor or other successor in interest; (ii) change of address of machine owner; (iii) change in Usage Type or Application of the machine; and (iv) change in location of the machine. The machine serial number must be specified in any such notice.

# **ARTICLE 6 - Exclusions to Service Products and Service Options**

6.1 **General Exclusions.** The following shall be excluded: (i) accidental damage & misuse (unless the accidental damage & misuse service option is selected), malicious damage, negligence, unauthorised use of, or modifications to, the Equipment and any unauthorised service work; (ii) direct or indirect impact to the Equipment or exposure to the forces of nature (lightning, fire, shock, water damage of any kind including corrosion, extreme temperatures); (iii) changes or customisations to the Equipment not authorised in advance by The Supplier or performed by unauthorised technicians; (iv) Customer's failure to maintain the Equipment in accordance with The Supplier's guidelines, including but not limited to

failure to attend to visual or audible notifications or alarms on the equipment; (v) Customer's failure to supervise use of the Equipment; (vi) a utilisation rate greater than that agreed upon and specified in the Equipment Schedule; (vii) use in a different application and usage type than that agreed upon and specified in the Equipment Schedule; (viii) battery charger malfunction due to electrical surge or interruptions; (ix) faults or disruptions resulting from the use of products or accessories not compatible with the Equipment; (x) glass breakage; and (xi) Customer's failure to ensure appropriate recovery of the Equipment in the event of a roadside breakdown.

# 6.2 Repair, Maintenance and Wear Parts & Consumables Exclusions. Detergents, Chemicals, Dust Bags (both inner and outer), Pads and Light Bulbs are excluded. For indoor equipment only The Supplier will replace tires, one set per year per piece of equipment, due to normal wear and tear from ordinary use, if necessary. However, abnormal tire wear due to soil conditions, flats, punctures, separations, incorrect wheel alignment or chips is not considered normal use and is therefore excluded. Wheel alignment services are excluded from the service contract as is damage

**ARTICLE 7 – Excess Usage.** Customer will pay The Supplier for usage in excess of the maximum operating levels, where applicable, set forth below. The Supplier has determined the maximum operating levels to be in line with normal usage of the Equipment, and Customer's use is expected to be less than the maximum. There is no refund for usage under the maximum operating time. Excess usage charges shall be annually determined based on the following formula:

Number Of	.,	1.5	.,	12 x Monthly
Excess Hours	Х	1.5	Х	Contract Fee

### Maximum Contract Hours

Machine Type	Power/Fuel Type	Usage Band (Maximum Hours Per Annum)					
iviacilile Type		0	1	2	3		
Walk Behind Scrubber/Sweeper	Electric	200	400	800	1200		
Walk Behind Scrubber/Sweeper	All Other Power / Fuel Types	400	800	1200	1600		
Rider Scrubber/Sweeper	Electric	250	500	1000	1500		
Rider Scrubber/Sweeper	All Other Power / Fuel Types	400	800	1600	2400		

# ARTICLE 8 – Termination

caused by the use of incorrect tires.

- 8.1 **Term**. Unless terminated sooner by either party, any PRO FIX or PRO VAR contracts will automatically renew for successive terms equal to the Contract Period specified in the applicable Service Contract Equipment Schedule, and any PRO 24, PRO 48 or PRO 72 contracts will automatically expire at the end of the Contract Period, unless extended by The Supplier.
- 8.2 **Termination Immediately by The Supplier**. The Supplier may terminate this Agreement at any time and without prior notice to the Customer under the following circumstances: (i) Customer's failure to pay any full or partial amount due; (ii) any breach by the Customer of a contractual obligation not cured within eight (8) days following receipt of The Supplier's notice; (iii) in case of voluntary liquidation, reorganization, liquidation, or sale of Customer's business, or in case of reduction of collateral or security or any other event reducing the solvency of the Customer or preventing its continued participation in this Agreement; (iv) in case the Customer breaches the conditions of the Contract; or (v) the machine has experienced major damage and the customer refuses to repair.
- 8.2 **Termination For Convenience**. Either party may terminate all or part of this Agreement at any time upon one months' prior written notice to the other party. Customer shall not be entitled to any full or pro rata refund for payment in advance of a terminated month.