



AMERICAN SERVICE INDUSTRIES, INC. (COMPANY)

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NATIONAL ACCOUNT SERVICE AGREEMENT (NASA) SERVICE AFFILITATE (VENDOR)

Your Company:

Phone:

Contractor License #

This Agreement shall immediately begin upon execution of work, or date of first ASI Purchase Order and continue in force for a period of this calendar year, automatically renewing for an additional one year, unless terminated sooner as provided herein. This Agreement supersedes all other prior agreements with Company and any agreements, whether oral or written, with any customer, vendor or field representative. The terms and conditions set forth in this agreement and the attached exhibits shall apply to all work authorized by the Company as evidenced by a Purchase Order or other Authorization by the Company, and to be performed by the Vendor.

SERVICES, RATES, AND PROVISIONS:

- 1. Provide on-call straight time labor rates at \$110 per hour, or per ASI Purchase Order. No Truck, Mileage, Trip charges, Use, Rentals, Tool Fees, Diagnostic, Dispatch or Surcharges shall be charged. Travel time shall be included in the hours reported, and never exceed 1/2 hour, if authorized in writing prior by Company. Overtime shall not exceed 50% of the established labor rate, and must be prior approved.
2. Provide all material and parts including freon, with a markup Not-To-Exceed 80% if material cost is under \$100, 60% if material cost is between \$100 to \$200, 50 % if material cost is between \$200 to \$500 and 40% if material cost is between \$500 to \$1000 and 30% if over \$1000, or for all, Compressors & Motors, and Unit, or as noted on the Purchase Order.
3. Vendor shall give Company the most favored work priority, status, and agrees that the labor rate and materials markup to Company will be at their lowest rate for any of its' customers including other management companies.
4. Provide All Services in accordance with Exhibits A (Purchase Order), B (PM Tasks), C (Procedures), D (PM Time) which are attached and incorporated herein by reference, and the terms set forth below.
5. Vendor shall allow a discount of 12%, from the invoice amount in consideration for marketing, promotion, and/or advertising provided by the Company.
6. This agreement and all exhibits attached hereto collectively constitute the "Agreement" between the parties. This agreement shall not be construed to create a contractual relationship of any kind (1) between Vendor and any Company customer or (2) between any persons or entities other than the Company and Vendor.

COMMENCEMENT OF WORK. The parties have caused this Agreement to be executed and Vendor unconditionally accepts this Agreement in its entirety by performing work. No signature is required to constitute Vendor's acceptance of this Agreement. Vendor agrees not to begin work under this Agreement until Vendor accepts all of the terms and conditions set forth herein, including all attached Exhibits, without modification or objection. Vendor's performance of any work under this Agreement shall be an unqualified acceptance of this entire Agreement, including all attached Exhibits.

- 1. DESCRIPTION OF SERVICE. Vendor shall provide all necessary preventative maintenance and repair services requested, together with the necessary materials and replacement parts, to keep the equipment located at the Customer's facility in good working order. Title to all equipment and materials shall not vest in Vendor, but shall pass to Company immediately upon delivery or installation. Vendor shall be solely responsible for and have control over service materials, methods, and techniques and shall not contact the customer's corporate office, for any reason. Vendor shall be liable to the company for all acts and omissions of Vendor, Vendor's agents and employees relating to the services provided under this agreement, along with missing the scheduled arrival time, along with all costs related, to obtaining a replacement vendor to complete the work. Vendor shall be charged for any repair work which Vendor did not provide, or did not quote prior to leaving the jobsite, and subject to non-payment of the initial service, and charged an offset of a replacement Vendor. Company must arrive as scheduled, and provide a quote, if required, or complete all repairs within the NTE on the same day prior to leaving site to have earned payment for the work provided.
2. PRICE. The price for parts and merchandise provided to Company pursuant to this agreement (other than items provided at no charge as part of preventative maintenance) shall not exceed cost, plus the material markups for overhead and profit as set forth in Section 2 above. Vendor hereby expressly waives any rights or claims for any and all material and labor costs, which exceed the Not to Exceed authorized or quoted amount, unless Vendor obtained Company's prior written consent to exceed such amount. Vendor shall be responsible for payment of all Sales Taxes to the governmental entities. Vendor may not accept work directly from Company's customers.
ON-CALL SERVICE. The hourly price for on-call service labor provided to Facilities shall be as identified in the Agreement, or as listed on Exhibit A. All Labor, Materials, Charges and Taxes shall be listed individually and priced separately. Technician MUST identify Time In and Time Out on all field service reports.
SERVICE. As a condition precedent to receive payment from the Company, Vendor shall submit a work order signed by the Customer's Representative acknowledging completion, listing all labor and materials individually, priced and identified separately as a Time and Material Billing per the NASA or Purchase order service rates and provisions. Quotations shall be inclusive of any and all charges, including applicable Taxes, and the Initial Call, within the Quoted price.
PREVENTIVE MAINTENANCE SERVICE. The prices for preventive maintenance service are listed on Exhibit A. Such price represents the amount payable per visit, at the frequency indicated, including all charges and taxes, without exception and regardless of the actual time spent by Vendor in performing such service. As a condition precedent to receive payment from the Company, Vendor shall submit a work order signed by the Customer's representative acknowledging completion, listing all labor and materials individually, priced and identified separately as a Time and Material billing per NASA service rates and provisions, Not-To-Exceed the Quoted amount. Quotations shall be inclusive of any and all charges, including all applicable Taxes, and the Initial Call, "within" the Vendor's price.
3. PAYMENT. Vendor shall bill the Company no later than the Wednesday of the following week in which Vendor completed the work. Vendor acknowledges such bill or demand for payment shall be subject to reduction based on the grounds stated in an adjustment or a discrepancy letter issued by the Company, including, without limitation, Vendor's failure to comply with the rates and Terms set forth herein or if the Customer's payment is prorated/reduced to the Company for the services and materials provided by the Vendor, and therefore, the Company has the right to equally prorate the payment to the Vendor. Payment for the actual amount owed to Vendor shall be "scheduled" by the Company 30 days from the date the signed work order is completed and invoice is received by the Company, and Payment from the Customer. Vendor shall not be entitled to any interest, finance charge, administrative fee or service charges relating to payment delay or disputed invoices, regardless of any provision contained in Vendor's proposal, bid, contract, or invoice stating the contrary. If there is a conflict between Vendor's Proposal, Bid, Contract, Field Work Order/Service Report or Invoice and this Agreement, this received Agreement shall control without exception. Further, Vendor acknowledges that Company has a written agreement with its customers, which contains different compensation terms and prohibits such customers from contracting with Vendor, directly or indirectly. Given Company's separate agreement with its customers, Vendor agrees not to request payment, either in whole or in part, directly from any customer nor shall Vendor perform any work on any equipment installed by Vendor unless Company requests Vendor to perform such work. Vendor hereby acknowledges any such request for payment from a customer or any such post-installation work absent Company's request would cause severe damage to Company, including, without limitation, lost profit, for which Vendor would be liable to Company. Vendor and Company expressly recognize that any dispute relating to the work, materials, or parts provided by the Company under this Agreement, including disputes regarding monies owed to Vendor by Company, would likely involve problems of proof and of preservation of evidence that would be aggravated by delay. Therefore, in order to minimize any such difficulties for both parties, any legal action or proceeding relating to the work, materials, or parts provided by the Vendor shall be commenced within one (1) year from the date of the invoice or from the date of the work, materials, or parts were provided, whichever is earlier. Vendor and Company both agree this limitation period is reasonable and does not create any undue advantage. Invoices are considered "received" only when all invoice requirements have been completed. The Company shall not be obligated to pay or be liable for payment on invoices not paid by the Customer.
4. TERM. The term shall be as noted on this Agreement. The Company reserves the right to add or delete Customers, Facilities, or terminate Services at any time, or both, upon written notification to Vendor. Any additions, deletions or terminations made by the Company shall not render this agreement void.
5. GUARANTEES. Vendor warrants to Company (1) all labor, materials and equipment furnished under this Agreement will be of good quality and new; (2) the work will be free from defects; and (3) the work will strictly conform to the requirements of the Manufacturer and to this Agreement. Labor, materials, or equipment not strictly conforming to these requirements, including, but not limited to, substitutions not approved and authorized by Company, may be considered defective. Vendor warrants all labor, materials, and equipment for a minimum period of one (1) year from the date of completion or for the manufacturer warranty period, whichever is longer. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law. Vendor shall transfer all manufacturer warranties to Company and deliver all warranty documents to the Company.
6. INDEPENDENT CONTRACTOR STATUS. The parties agree that Vendor shall perform its obligation hereunder as an independent vendor and that nothing in the Agreement shall grant the parties the power to bind each other in any manner. Vendor shall be fully licensed and bonded for all work.

7. INDEMNITY. To the full extent permitted by law, Vendor shall indemnify, defend and hold harmless the Company and its Customer and each of their respective employees and affiliates and owners and facility owners and all tenants, occupants, and agents at which the services are performed from all claims, demands, losses, liability, expenses incurred, which arise out of the result, directly or indirectly, from or in connection with the performance or the inaction by Vendor or any of its employees, agents or Vendors, including any caused or alleged to have been caused by the negligence or other fault of any indemnity hereunder. Vendor shall indemnify and hold the Company and the Company's agents harmless against all claims, losses, costs, and liabilities, including, without limitation, reasonable costs and attorney's fees, which the Company may suffer or incur by reason of Vendor's request for payment from any customer and by reason of any active or passive act or omission of Vendor, Vendor's employees or anyone for whose acts Vendor may be liable, regardless of whether it is caused in whole or in part by the negligence of the Company or the Company's agents. Vendor shall also indemnify the Company for all costs, as described below, of threatened or actual suits or arbitration proceedings brought by any customer (for whom Vendor performed work at the Company's request) against the Company based on Vendor's failure to: (a) remove any lien for which Vendor received payment, either in whole or in part, or (b) remove any improper lien placed on the customer's property. Such costs shall include, without limitation, interest, costs and payments pertaining to any release of proper or improper lien, service of process and court fees, filing fees, reasonable attorney's and arbitrator's fees, and all other costs associated with such suits or proceedings, including settlement costs and the amount of such costs shall be a minimum of twenty-five percent (25%) of the amount stated in the invoice(s) upon which such lien is based.
8. INSURANCE. Vendor shall maintain insurance in the following minimum amounts: (A) Automobile & Comprehensive \$500,000 (B) Workers Compensation Statutory Limits (C) Employer's Liability (where applicable) \$2,000,000. No later than ten (10) days prior to the commencement of work, Vendor shall deliver to the Company a Certificate of Insurance evidencing the above coverage wherein the Company is named as an additional insured. Vendor failure to give the company the Certificate of Insurance within the prescribed time frame shall be deemed a material breach of this agreement and payment for work performed may be withheld until the Vendor provides proof of insurance to the Company. Vendor shall provide Insurance in any amount above the minimum to meet customer specifications.
9. LEGAL COMPLIANCE. The services shall be performed in compliance with the Williams-Streiger Occupational Safety Health Act of 1970, and all other laws, ordinances and governmental regulations. Vendor shall not discriminate against any person due to race, creed, color, national origin, sex or age, shall comply with Executive Order 1 1246 Title VII of the Civil Rights Act of 1964, as amended, the Immigration Reform and Control Act of 1986, the Rehabilitation Act of 1973, 41 60-741, the Vietnam Era Veterans Readjustments Assistance Act of 1973, CFR 60-25 and Executive Order 1625 (Minority Business Enterprise) together with all adherence thereto and regulations thereunder. Vendor agrees to defend, indemnify and hold the Company, its Customer, and owner of the premises where services hereunder are performed from all loss, liability or expense (including reasonable attorney's fees) in any way related to Vendor's failure to fully comply with any of the foregoing laws, ordinances or regulations. The Vendor shall comply with the Federal, State and Local tax laws, social security acts, unemployment compensation acts and worker's compensation acts and provide a drug policy, with random drug testing, and prior background check for all employees. The Vendor shall take all reasonable safety precautions with respect to his Work, shall comply with all appropriate OSHA and Safety measures and with All applicable laws, ordinances, rules, regulations, EPA, Environmental Requirements & Acts, Codes, and orders of any applicable laws, for the safety of persons or property. The Vendor shall report within three days to the Company of any injury to any of the Vendor's employees or others at the site, and maintain an Illness & Prevention Program. The Vendor shall have and maintain all necessary contractors licenses, city and state licenses, qualifications, certifications, or permits as required to perform work. Vendor shall submit to the company written notification of Vendor's Federal Tax I.D. Number and license numbers within 10 days from the effective date of this agreement. Vendors failure to comply with any requirements set forth in this provision shall be deemed a material breach of this agreement. Vendor agrees to defend, indemnify and hold the Company, its Customer, and owner of the premises where services hereunder are performed from all loss, liability, or expense (including reasonable attorney's fees) in any way related to Vendor's failure to fully comply with any requirements set forth in this Section 9.
10. TIMELY COMPLIANCE. In the event that Vendor does not provide any materials or services requested by the Company pursuant to the Agreement within twenty-four (24) hours following the time of the request the Company may hire outside contractors to provide such materials and service. If the cost is higher than the cost quoted or pursuant to the Agreement, the Company, without limiting any other remedy available under law, may recover from Vendor such difference in cost.
11. GOVERNING LAW. The parties agree this Agreement is made and entered into in the State of California. This Agreement shall be interpreted and construed in accordance with the laws of the State of California without regard to any conflict of laws. Venue shall be agreed as the Company's judicial system location.
12. INVALID PROVISIONS. In the event of any of the provisions of the Agreement, or any portions hereof, are held to be invalid by any court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect.
13. NON-ASSIGNMENT. Vendor shall not assign, nor subcontract any part of the assigned work without prior written consent of the Company. Company, however, may assign on its sole discretion.
14. ARBITRATION. Because of the mutual benefits (such as reduced expense and increased efficiency) which private arbitration can provide both to the Company and the Vendor, the parties voluntarily agree that any dispute, controversy or claim arising out of or relating to the Agreement or having any relationship or connection whatsoever with services or materials provided to a Company customer, shall be submitted to and determined exclusively by arbitration in accordance with the procedures of the American Arbitration Association ("AAA") Construction Industry rules of California (the "AAA Rules"). The arbitration tribunal shall consist of a single person to be selected by mutual consent of the parties. If the parties fail to agree upon an appointment of the arbitrator within 30 calendar days, the arbitrator shall be appointed by AAA pursuant to the AAA Rules. Each party shall equally bear fees and expenses of the arbitrator. Vendor expressly consents to personal jurisdiction in California. Resolution of the dispute, controversy or claim shall be based solely upon California law governing the claims and defenses pleaded and alleged. The arbitrator may not invoke any basis (including, without limitation, notions of "just cause") other than such controlling law. Awards shall include the arbitrator's reasoned opinions and the legal basis in support of such opinions. Thereafter, a petition to confirm the award may be filed pursuant to Code of Civil Procedure Section 1287.4et seq., with a court of competent jurisdiction. In addition to the grounds to vacate an award set forth in Section 1286.2, the award may be vacated prior to confirmation if the arbitrator failed to apply the substantive laws of the State of California in rendering his/her award. If the court determines the arbitrator failed to apply such laws, the court shall vacate the award and order the parties to commence a new arbitration proceeding with the same arbitrator, if the parties and arbitrator agree, pursuant to the AAA Rules within 30 calendar days. If the initial arbitrator is unavailable or the parties do not agree to reappoint the arbitrator to conduct the subsequent proceeding, a new arbitrator shall be appointed pursuant to the AAA Rules. The court's legal findings and conclusions to vacate the initial award shall be followed by the arbitrator in the subsequent arbitration proceeding. If the award is confirmed and final judgment is entered, the prevailing party shall be entitled to recover such party's reasonable attorneys' fees and costs incurred in each and every such arbitration, action, suit, enforcement proceeding or other proceeding pursuant to a motion filed in a court of competent jurisdiction as authorized by Code of Civil Procedure Section 1032 et seq., except as provided herein. If any party commences an action based on a dispute or claim without first attempting to resolve this matter through arbitration, then that party shall not be entitled to recovery of attorneys' fees or costs, even if attorneys' fees and costs would otherwise been available.
15. WITHHOLDING. If any claims are made against the Company or damages or expenses are incurred by the Company under its contract of which this is a subcontract on account of the performance by the Vendor or any acts of the Vendor or its employees or the Vendors, or should the Company not be paid for monies or invoices paid to the Vendor, Vendor shall be liable to the Company for amount thereof, and the Company shall have the right, in addition to any and all other rights and remedies, to withhold the amount otherwise due or to become due to Vendor hereunder and for other goods and valuable consideration receipt and sufficiency of which are hereby acknowledged, equal to the amount of such claims, damages or expenses.
16. SERVICE CONTINUANCE. In consideration for customer acquisition and administrative costs and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vendor shall not solicit services nor accept work requests from the Customer, either directly or indirectly, or from any other agency, or for any facilities having serviced for the Company or for any other facility of the Customers during this agreement or for a period of twenty four (24) months after termination of the Agreement, regardless if Vendor previously worked for or with the Customers either directly or indirectly, in the past in any capacity.
17. LIENS. Vendor shall pay when due all claims for labor, material, and equipment provided by Vendor's employees, agents, materialmen, and suppliers to complete the work under this Agreement. Vendor shall prevent the filing of any lien or claim by Vendor's employees, agents, materialmen, and suppliers. If any such lien or claim is to be filed, Vendor shall give Company 60 business days' written notice prior to any person or entity filing any lien or claim of their intent to file a lien or claim. If the Vendor fails to give Company notice, or if any such lien or claim is filed, Company shall have the right to do any or all of the following: (1) terminate this Agreement; (2) enforce contractor to discharge and release such lien or claim at Vendor's sole expense, including reimbursement to Company of all Costs.
18. WAIVER. The waiver by either party of any of its rights under the Agreement must be in writing and shall not be deemed a waiver of any other rights.
19. TERMINATION. Should the Vendor not perform in accordance with the Agreement, or if the owner, or customer, or any tenant, or agent of the facility shall become dissatisfied with the results of the service, or at the sole discretion of the Customer or the Company wish to terminate, the Company's shall have the right to terminate the Agreement's Exhibits immediately by notice to Vendor. If the Company's contract with the Customer terminates then the Contractor's service for the Customer's stores shall immediately terminate. The Agreement shall remain binding for all future work for all remaining or new Customers.