

## SCHEDULE OF FIELD SERVICE RATES

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January 1, 2017

Lake Shore Systems, Inc., supplier of Lake Shore brand products is pleased to present its 2017 field service rates. These rates apply to field service work supporting Lake Shore equipment systems and similar products.

The following rates are for orders booked January 1, 2017 through December 31, 2017. The rates are for short-term, domestic services beyond our contractually agreed upon warranties. See paragraph 6 below for overseas service.

1. LABOR CATEGORIES

- a. **Field Service Engineer.** The field service engineers typically possess a broad skill set including mechanical, electrical, and hydraulic troubleshooting and repair. They are capable of leading or performing repair, upgrade and installation projects. Field service engineers are capable of working unsupervised and serving a customer for extended periods of time, though negotiations of scope or price with subcontractors and customers should be referred to other levels of management.
- b. **Design Engineer.** Occasionally a field service effort will require dispatching a design engineer for advanced troubleshooting or other design specific issues. Lake Shore Systems, Inc. has a significant staff of degreed engineers, designers, and drafters who may be selected to assist in various field service projects. Duties may range from troubleshooting and giving advice, to hands on repair, or even supervision and project management.

2. LABOR RATES

a. Field Service Engineer / Technical Representative

E.	WEEKDAYS .....	\$135.00/hour
F.	OVERTIME.....	\$202.50/hour
G.	SATURDAYS.....	\$202.50/hour
H.	SUNDAYS & HOLIDAYS .....	\$270.00/hour

b. Design Engineer

E.	WEEKDAYS .....	\$170.00/hour
F.	OVERTIME.....	\$255.00/hour
G.	SATURDAYS.....	\$255.00/hour
H.	SUNDAYS & HOLIDAYS .....	\$340.00/hour

c. Vendor Services

If OEM vendor field service engineers are required to provide technical assistance for hydraulic pumps, electronic motor controllers, etc., Lake Shore will hire them and charge at our vendor's actual invoice plus 30%. Any parts required will be in accordance with standard prices as quoted by Lake Shore's parts and services department.

d. Training

Customer maintenance and operational training is available and will be quoted upon request.

e. NOTES:

- WEEKDAY rates apply to a normal customer first-shift hours and all travel time worked by our employee between 7 a.m. and 6 p.m. up to 8 hours per day or 40 hours in any work week.
- OVERTIME rates apply to all hours worked by our employee other than 7 a.m. to 6 p.m., weekdays, normal customers first shift hours, AND all hours worked over 8 hours per day or 40 hours in any work week.
- SUNDAYS & HOLIDAYS rates apply to all hours worked by our employee on Sundays or legal holidays.
- A full day is charged for partial days worked including travel days, weekends, and holidays.
- If a Lake Shore employee is required to standby, but not work, over the weekend, a charge of 8 hours per day (Saturday and Sunday) will be charged at the weekday rate.
- Rates are subject to change without notice.
- Travel time, preparation time, stand-by time and report preparation time, as appropriate, shall be at the same service rate.

3. EXPENSE CHARGES

Expenses will be charged for actual travel and living expenses, as allowed by Lake Shore Systems, Inc. corporate policy, incurred by our employee from the time he leaves home base to the time of his return to that base plus a 10% administrative charge.

4. PURCHASE ORDERS

All requests for field service or field engineering service must be confirmed by a purchase order and should include such parts for repair as necessary. All field service orders are subject to review by our parts and service management.

5. WARRANTY

When the product is still under warranty, the billing status shall be negotiated by determination of nature of service. Where customer furnished components are involved with our equipment, we assume no responsibility for service or warranty of the customer furnished components or damages caused by these components.

6. OVERSEAS SERVICE

Overseas service will be billed with a premium of 50% of the rates listed herein.

7. CONTACT

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