



DEALER AGREEMENT

THIS DEALER AGREEMENT (the "Agreement") is made and executed this ___ day of _____, 201_ (the "Effective Date"), by and between Lake Norman Security Patrol, Inc. d/b/a Security Central (the "Company"), a North Carolina corporation with a principal place of business at 311 Security Drive, Statesville, NC 28677, a notice e-mail address of _____ and _____ ("Dealer"), located at _____ with a notice e-mail address of _____ and a business telephone contact number of _____.

FACTUAL BACKGROUND:

WHEREAS, (i) Company operates a Monitoring Facility ("Monitoring Facility") to (a) receive voice, video and data (collectively, "Signals") from electronic devices, electronic protective systems and other devices such as personal emergency response and security systems (collectively, "Devices"); and (b) upon receipt of any Signals, provide notice to (1) emergency responders, including police, fire, medical or guards (collectively, "Proper Authorities") as indicated by Dealer or Dealer's customer (each a "Subscriber") and (2) other persons or entities as indicated by Dealer or a Subscriber (together with the Proper Authorities, the "Call List") in accordance with this Agreement and Company's policies and procedures from time-to-time (the "Monitoring Services"); and (ii) Dealer desires to engage Company to provide the Monitoring Services (and other services), all as set forth in this Agreement. (The various forms of Monitoring Services are listed on the Pricing Schedule attached hereto and incorporated in this Agreement by reference.)

NOW THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Dealer Responsibilities. Dealer shall assure the (i) suitability, proper installation, power connectivity and (with video) lighting of or with each Device and their integration with one another at the Subscriber's premises; (ii) Devices properly transmit Signals to the Monitoring Facility; (iii) accuracy and completeness of all information required to provide the Monitoring Services (collectively the "Monitoring Information") (iv) maintenance and on-going service of any receiving equipment proprietary to Dealer or otherwise from a source unconnected to Company; (v) Company has promptly received a copy of the agreement for Monitoring Services executed by each Subscriber; (vi) all Devices and systems used at Subscriber's premises in connection with the Monitoring Services are properly licensed, permitted, or registered (at Dealer's or Subscriber's expense) as may be required by applicable law and regulation; and (vii) the installation, receipt and use of the Devices and Signals and/or video images at or from Subscriber's premises comply fully with all applicable law and regulation.

2. Subscriber Information. Company shall not provide the Monitoring Services until a reasonable time after (i) Dealer has properly entered the Monitoring Information into Company's monitoring database; or (ii) (a) Dealer provided the Monitoring Information to Company in writing and in a form and substance acceptable to Company and (b) Monitoring Facility personnel have entered such information into Company's monitoring database. By providing the Monitoring Information to Company (either by entering such information in Company's monitoring database or providing such information to Company as required under this Agreement), Dealer represents and warrants to Company that such information is accurate and complete in all respects. Company makes no representation as to time in which the Monitoring Information shall be entered into Company's database.

3. Use and Modification of Services. Dealer may use the Monitoring Services and each of the other services (collectively, the "Ancillary Services") as provided by Company from time-to-time (collectively, "Services"). Company may, in its sole and absolute discretion, add, change or discontinue any of Services on the sole condition Company gives Dealer thirty (30) days' notice of any addition, change or discontinuance.

4. Monitoring Services.

4.1. Monitoring Services consists solely of Monitoring Facility personnel ("Operators") contacting the Call List at the telephone numbers supplied by Dealer or Subscriber or, where applicable, those telephone numbers obtained from any Public Station Answering Point database then used by Company ("PSAP Database") (in either event, the "Telephone Number") within a reasonable time given the circumstances at the Monitoring Facility and the priority of the Signals. Company shall have no obligation to provide Monitoring Services unless the Monitoring Facility shall have received (i) Signals identified in writing by Dealer ("Listed Codes"); (ii) video images on an Operator's screen that, in the Operator's sole and absolute discretion, clearly and conspicuously reveal the necessity for Monitoring Services appear on the Operator's computer screen or (iii) voice communication from a Subscriber's premises ("Premises") requesting Monitoring Services. Monitoring Facility may provide the Monitoring Services by (A) an Operator dialing the appropriate Telephone Number; (B) using an automated telephone calling system to dial the appropriate Telephone Number and playing a pre-recorded or digital voice message (each an "Automated Call"); or (C) transmitting some form of electronic message such as an e-mail, SMS, text messaging or some other means (each, an "Electronic Message") to the Telephone Number or other communications address (e.g., e-mail address) provided by the Dealer, the Subscriber, the applicable Public Station Answering Point or some other person or entity on the Call List. No Monitoring Service shall be rendered for Signal that are not Listed Codes, for voice communications that do not request Monitoring Services or for video images which, in the Operator's sole and absolute discretion, do not clearly and conspicuously reveal the necessity for Monitoring Services. Notwithstanding anything in this Agreement to the contrary, an Operator shall not be required to view video images more than one time as the video images appear on the Operator's computer screen.

4.2. If "multiple zone delayed dispatch service" (a/k/a Multi-Trip) is a service selected by Dealer in writing, no Monitoring Service will be rendered unless Listed Codes from more than one zone of the System are received within five (5) minutes of each other.

4.3. Dealer understands that Company has no responsibility for defects, failures, or faults in any equipment or service that might be involved in the transmission of Signals to Company's Monitoring Facility, which equipment or service was not specifically installed, maintained and under the exclusive control of Company (such as, for example, telephone lines maintained by a separate company or utility).

4.4. To reduce false alarms, Company shall use "enhanced call verification" or "ECV" in providing the monitoring services. ECV means that when Company receives Signals at the Monitoring Facility indicating an intrusion at the premises, it will call the telephone number at the premises and the first telephone number of the primary contact on the Call List to verify if an emergency condition at the premises requires Proper Authorities before Company notifies Proper Authorities of the Signals. If there is no answer to these calls, or the person contacted indicates an emergency condition exists or cannot provide the passcode, Company will contact the Proper Authorities as set forth in this Section 4. Following a distress or panic alarm, Company will notify the Proper Authorities without using ECV and then contact the Call List.

4.5. Company's efforts to notify the Call List following receipt of Signals shall be satisfied as follows: (i) for Signals received indicating a possible fire at the premises, by informing the Proper Authorities; provided however, the Company may first call the telephone number for the premises for residential premises in order to verify the need for dispatch; (ii) for Signals received indicating a possible intrusion at the premises, unless otherwise directed by Dealer or Subscriber as part of the Monitoring Information (in writing and received by the Company and placed into the Company's protocol for any Subscriber), by following ECV as set forth in the section above; (iii) for Signals that do not indicate an emergency at the premises, by (A) informing the first person on the Call List answering a call or (B) some other form of message, including any Automated Call or Electronic Message, (iv) if a number on the Call List (other than the Proper Authorities, does not connect for any reason (e.g., telephone equipment or telephone company's system is unable to successfully complete the call), by calling the Proper Authorities, (v) by leaving a voicemail message with, or providing a pre-recorded or digital voice message to, any of the Call List (other than the Proper Authorities), or (vi) if sent in an Electronic Message, upon dispatch of the message to the intended recipient.

4.6. Notwithstanding anything contained in this Agreement to the contrary: (a) upon receipt of a Listed Code or video images that may require Monitoring Services and prior to contacting the Proper Authorities, the Company may, in its sole and absolute discretion and without any liability, contact or attempt to contact the Premises or other designated persons at the appropriate Telephone Numbers as frequently as the Company deems appropriate to verify the necessity to report the receipt of a Listed Code or video images to Proper Authorities or any other person; and (b) upon receipt of an abort code or oral advice to disregard the receipt of the Listed Code or video images, the Company may, in its sole and absolute discretion and without any liability, refrain from contacting Proper Authorities (or other persons) or advise Proper Authorities (or other persons) of receipt of an abort code or oral advice to disregard the receipt of the Listed Code or the video images.

4.7. Dealer acknowledges and agrees that (i) all software, hardware, firmware, codes, information and documentation arising out of or from, in connection with, related to, as a consequence of or resulting from, any of the Services are the Company's sole and exclusive property and (ii) neither the Dealer nor any Subscriber shall have any rights whatsoever in any of the foregoing.

4.8. If a Premises is located in a jurisdiction which requires any form of verified or other on-site response (collectively, "Verified Response") prior to providing the Monitoring Service, Dealer shall have sole responsibility to provide the Verified Response. All fees, costs and expenses in connection with Verified Response shall be borne by Dealer only.

4.9. Listed Codes designated as "low priority" or similar shall be handled by Company's automated response system.

4.10 Company adheres to Standard Operating Procedures as defined in the Dealer Procedure Guide (Exhibit 1)

5. Charges For Services/Payments. Dealer shall pay Company's then-prevailing charges for all Services unless otherwise agreed upon in writing, plus all taxes, if applicable. Unless otherwise agreed upon in writing, Company shall invoice Dealer on a prorated basis beginning with the day of activation and then in advance for the period specified by Dealer. Company offers the following billing frequencies: monthly, quarterly, semiannually, and annually. Payment terms are Due Upon Receipt and Late Charges and Administrative Fees as outlined later in this agreement will be assessed after 30 days. If an account is canceled and has a prepaid balance, a credit shall be issued and prorated back to the day canceled. Devices shall not transmit excessive tests or other signals. Open and close accounts that open and close more than twice daily may be assessed the Company's prevailing charges for excessive signals. If Company, in its sole and absolute discretion, determines it has received excessive signals, Company may assess prevailing charges for excessive signals. If the excessive signals are determined to be in the nature of "run-away alarms," then those charges set forth below will apply.

6. Term The initial term of this Agreement shall be for thirty-six (36) months following the Effective Date. This Agreement shall automatically renew for successive, twelve (12) month periods unless either party provides written notice of non-renewal received no later than ninety (90) days prior to expiration date. If this renewal provision is not effective for any reason whatsoever, this Agreement shall automatically renew from month-to-month unless either party provides written notice of non-renewal at least thirty (30) days prior to the end of this Agreement. The time periods in this section must be complied with strictly, time being of the essence. The initial term under this Agreement and any renewal under this Agreement shall be referred to as the term under this Agreement.

7. Company's Rights on Termination or Suspension of Services. In the event of Dealer's default or failure to pay any amount when due or any termination by Dealer of this Agreement other than as permitted herein, (i) Company shall be entitled to retain all prepayments received and (ii) Dealer shall immediately pay to Company (a) all payments then due and payable and (b) fifty (50%) percent of all payments that would be due for the unexpired term of this Agreement (such sum calculated based on the prior twelve (12) months average monthly billings multiplied by the remaining number of months under the term of this Agreement), all such amounts to be liquidated damages and not a penalty; and (ii) Company shall have no further obligation to perform under this Agreement. In addition to, and not in lieu of, all other rights of Company in this Agreement, Company shall be entitled, in its sole and exclusive discretion, to (A) contact Subscribers to advise them of any termination of this Agreement or any suspension of the Services hereunder, (B) collect from each Subscriber the amount(s) due from Dealer, (C) upon request of a Subscriber, refer or recommend to a Subscriber other dealers with which they may contract, and (D) upon request of Subscribers, contract directly with Subscribers for the provision of any form of the Services.

8. Company's Obligation on Default. Company shall not be required or obligated, and does not assume, the performance of any Service whatsoever for any Premises as to which Dealer has failed to pay the appropriate fee(s) as and when required.

9. Representations, Warranties and Covenants of Company and Dealer.

9.1. During the term of this Agreement and all renewals thereof, Dealer shall maintain, without exception or interruption, written monitoring service contracts with all Subscribers, such contract to be in the form of attached hereto at Exhibit 1 without modification in any material respect, absent express prior written permission of Company (the "Contracts"), and Dealer warrants that all such contracts shall be valid and enforceable without any claim of offset or defense by any Subscriber;

9.2. During the term of this Agreement and all renewals thereof, Dealer shall maintain in full force and effect comprehensive general liability insurance (broad form) occurrence coverage (naming Company as an additional insured) in the minimum amount of \$1,000,000.00 per occurrence and \$2,000,000 in the aggregate including errors and omissions

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and broad form contractual liability coverages for bodily injury, death, personal injury and property damage (the "Required Insurance"). Dealer shall, upon execution of this Agreement, and at the anniversary of the Required Insurance, deliver to Company certificates of insurance confirming (i) the type and amount of coverages, (ii) that Company is an additional insured, and (iii) that the Required Insurance will be primary for all purposes and Company's insurance shall be excess and non-contributory for all purposes; and (iv) that no cancellation, termination or material change regarding the Required Insurance will become effective except upon thirty (30) days prior written notice to Company. If Dealer fails to deliver the certificates of insurance, in a form acceptable to Company in its reasonable discretion, within thirty (30) days of executing this Agreement or any anniversary date of the policies, Company, in its sole and absolute discretion, may, upon notice, terminate this Agreement for good cause; *provided, however*, Company's failure to demand certificates or evidence of full compliance with these insurance requirements or to identify any deficiency in such coverage shall not constitute a waiver of Dealer's obligation to maintain the insurance required under this Agreement;

9.3. Dealer shall not misrepresent to any Subscriber that Company provides services other than the Services;

9.4. Dealer's use of Company's name, trademarks, service marks, etc. is at the sole and absolute discretion of Company, which solely owns and controls the use of all such names, marks, etc., and shall be by written license only. Dealer agrees that this Agreement confers upon dealer no proprietary right, title or interest in any Company name, mark, etc. Dealer shall give notice to Company of any unauthorized use of Company's name, marks, etc. All materials provided by Company or that has Company's name, mark, etc. on it (and all copies of same), shall be immediately delivered to Company upon request or termination of this Agreement for any reason whatsoever;

9.5. Dealer is licensed in all jurisdictions in which it conducts business where licensing is required to operate an electronic Devices business and shall remain so licensed throughout the effective period of this Agreement;

9.6. Dealer is registered or qualified to do business in all jurisdictions where so required and shall remain so registered throughout the effective period of this Agreement;

9.7. Dealer has full power and authority to execute and deliver this Agreement;

9.8. The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other entity action of Dealer;

9.9. This Agreement has been duly and validly executed and delivered by an authorized officer on behalf of Dealer and constitutes a valid and binding obligation of Dealer, enforceable against Dealer in accordance with its terms under this Agreement. The execution and delivery of this Agreement will not conflict with or result in any violation of or constitute a default under any other agreement by which Dealer is bound;

9.10. All Contracts are and shall be owned solely by Dealer; *provided, however*, that Dealer may, in its sole discretion, collaterally assign Contracts to its lenders or absolutely assign Contracts to its lenders, parents, affiliates or subsidiaries on the conditions precedent that (a) prior notice of any assignment be given to Company, and (b) any lender, parent, affiliate or subsidiary execute this Agreement with regard to the Contracts absolutely assigned to it and expressly agree to be bound to the terms hereof. Any such assignment of Contracts without first complying with this Sub-section shall be (i) null and void and of no effect whatsoever, and (ii) a default of this Agreement permitting Company, upon notice, terminate this Agreement for cause;

9.11. Dealer is in substantial compliance in all material respects with applicable Federal, state and local statutes, ordinances, rules, regulations and policies relating to Dealer's business and shall remain in such compliance throughout the effective period of this Agreement;

9.12. Except as otherwise set forth on Schedule 2, Devices that transmit Signals to the Monitoring Facility over a telephone line shall do so exclusively over a telephone data line controlled by Company (each, a "Company Telephone Line"); and

9.13. During the term of this Agreement and all renewals thereof, Dealer shall not solicit, divert, take away or accept business from any then current customer or Subscriber of Company or any of Company's affiliates, subsidiaries or related entities for Dealer's benefit or for the benefit of any other person, firm or entity;

9.14. During the term of this Agreement and all renewals thereof, Company shall not intentionally solicit, divert, take away or, except as otherwise provided in this Agreement, accept business from any then current customer of Dealer for Company's benefit or for the benefit of any other person, firm or entity; *provided, however*, this section shall not prohibit Company from providing Services to any Subscriber on behalf of an alarm dealer under those circumstances where such alarm dealer requests that Company provide Services;

9.15. All Subscribers appointed Dealer as its/his/her agent for Dealer, in Dealer's name, to give direction to Company, as if done by Subscriber in Subscriber's own right, concerning any and all matters arising out of or from, in connection with or related to the performance of Services. These representations and warranties (i) survive the execution and delivery of this Agreement; (ii) are deemed to be given during the term; and (iii) provide the basis for the remedies set forth in this Agreement.

10. **Run-Away Alarms.** Company's obligations under this Agreement are suspended automatically without notice to Dealer or Subscribers and Company and the Company Parties are released for all expense, loss or damage to Dealer or Subscribers, in the event of Dealer's default of this Agreement, or if Subscriber's Devices becomes a "run-away" alarm or excessively sends video images or Signals to the Monitoring Facility without apparent reason, or the Subscriber is not subject to a valid, enforceable and acceptable written contract, and Dealer specifically empowers and authorizes Company, in its sole and absolute discretion, to refrain from rendering Services, render the particular Devices incapable of communicating locally or with the Monitoring Facility by remote programming the removal or modification of data necessary for the operation of the Devices, or through any other means take the Devices out of the Monitoring Facility and Company and the Company Parties are released for all expense, loss or damage to Subscribers or Dealer, whether due to the active or passive sole, joint or several negligence of Company or the Company Parties. Dealer agrees to defend, indemnify, and hold Company harmless for any and all liability or damages to third parties resulting from any such run-away alarms.

10.1. Liquidated Damages for Run-Away Alarms. If Dealer or any Subscriber prevents Company from exercising its rights under the preceding section, Dealer agrees to pay to Company the sum of Five Cents (\$.05) for each individual signal from the Premises received by the Monitoring Facility, as liquidated damages and not as a penalty, plus all actual attorneys' fees and court costs incurred by Company as a party to any dispute arising out of or from, in connection with, as a result of, related to or is a consequence of this section or the preceding section.

11. **Third Party Vendor Fees.** In the event Company is assessed coverage fees by a Third Party Vendor Company reserves the right to invoice Dealer coverage fees at the Company's prevailing rate, in addition to any other sums permitted to be recovered by Company under this Agreement.

12. **WARRANTY EXCLUSIONS/LIMITATIONS OF LIABILITY/DAMAGES EXCLUSIONS.**

12.1. **Disclaimer of Warranties.** COMPANY MAKES NO WARRANTY OR GUARANTY WHATSOEVER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT A SUBSCRIBER'S PROTECTIVE SYSTEM OR COMPANY'S PRODUCTS OR SERVICES WILL PREVENT OR AVERT OCCURRENCES OR CONSEQUENCES THAT THE PROTECTIVE SYSTEM OR SERVICES ARE DESIGNED TO DETECT, AVERT, OR MINIMIZE THE RISK OF. COMPANY MAKES NO WARRANTIES OTHER THAN THOSE EXPRESSED HEREIN IN WRITING BY COMPANY, AND NO REPRESENTATIVE OF COMPANY OR DEALER HAS ANY AUTHORITY TO MAKE ANY ADDITIONAL WARRANTIES OR OTHERWISE VARY THE TERMS OF THIS AGREEMENT.

12.2. **Dealer's Sole Recourse to the Required Insurance.** Dealer acknowledges and agrees that (i) Company is not an insurer and (ii) the amount Company is charging for the Services is insufficient to guaranty that no loss, damage or expense will occur. Dealer acknowledges that the equipment and systems involved with the Monitoring Services are not foolproof. Accordingly, in the event of any claim, loss, damage or expense, Dealer's recovery for any such loss, damage or expense shall be limited to the Required Insurance obtained by Dealer for any first party claim or any third-party claim and to the fullest extent permitted by law, Dealer waives and releases Company and each of Company's shareholders, members, partners, directors, managers, principals, officers, insurers, attorneys, agents, employees, contractors and suppliers and each of their respective successors, assigns, heirs or personal representatives (collectively, the "Company Parties") for any such loss, damage or expense.

12.3. **IN THE EVENT THAT, FOR ANY REASON UNDER APPLICABLE LAW, THE PREVIOUS SUBSECTION OF THIS AGREEMENT MAY BE FOUND UNENFORCEABLE OR OTHERWISE INAPPLICABLE ANY CLAIM, AND IF COMPANY OR ANY OF THE COMPANY PARTIES ARE FOUND TO BE LIABLE TO DEALER OR ANY OTHER PERSON OR ENTITY, ANY SUCH LIABILITY SHALL BE LIMITED TO THE MAXIMUM SUM OF \$1,000.00 PER OCCURRENCE GIVING RISE TO SUCH LIABILITY, COLLECTIVELY FOR COMPANY AND THE COMPANY PARTIES, AND THIS LIABILITY SHALL BE EXCLUSIVE EVEN IF DUE TO, CAUSED BY, IN CONNECTION WITH, ARISING OUT OF OR FROM, RELATED TO OR AS CONSEQUENCE OF (I) THE IMPROPER PERFORMANCE OR FAILURE TO PERFORM OF THE EQUIPMENT, THE MONITORING FACILITY OR AN OPERATOR OR OTHER PERSONNEL; (II) BREACH OF CONTRACT, EXPRESS OR IMPLIED; (III) BREACH OF WARRANTY, EXPRESS OR IMPLIED; (IV) THE ACTIVE OR PASSIVE, SOLE, JOINT OR SEVERAL NEGLIGENCE OF ANY KIND OR DEGREE OF COMPANY OR ANY OF THE COMPANY PARTIES; (V) ACTS, ERRORS OR OMISSIONS THAT OCCUR PRIOR TO, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO, THE EXECUTION OF THIS AGREEMENT; (VI) PRODUCT OR STRICT LIABILITY; (VII) CONTRIBUTION OR INDEMNIFICATION, WHETHER IN CONTRACT, TORT OR EQUITY; (VIII) ANY STATUTE, RULE, REGULATION, CODE OR PRACTICE, (IX) TO THE EXTENT NOT COVERED IN ANY PREVIOUS SUB-SECTION OF THIS SECTION, ANY CLAIM FOR LOSS OF DATA, CYBER-LIABILITY, DATA BREACH, IDENTITY THEFT, INVASION OF PRIVACY, BREACH OF PRIVACY, ANY CONFIDENTIALITY PROTECTION, RECORDING OF COMMUNICATIONS OR ANY SIMILAR CLAIM.**

12.4. The ABOVE TWO SUB-SECTIONS INCLUDE AND ARE AGREED TO PROVIDE FOR THE EXCLUSIVE REMEDY TO DEALER OR ANY NON-PARTIES TO THIS AGREEMENT FOR ANY AND ALL DAMAGES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE (REAL OR PERSONAL), CONTRACTUAL OR WARRANTY CLAIMS OF ANY TYPE, LOST PROFITS AND BUSINESS INTERRUPTION OR ANY FORM OF GENERAL, DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, STATUTORY OR CONSEQUENTIAL DAMAGES, INTEREST OR COSTS, IRRESPECTIVE OF CAUSE.

13. **Indemnification** WITHOUT LIMITING COMPANY'S LEGAL RIGHTS, DEALER SHALL PROTECT, INDEMNIFY, DEFEND AND HOLD HARMLESS (PARTIES FIRST PAY) FOR ALL CLAIMS, DEMANDS, SUITS, LIABILITIES, DAMAGES, JUDGMENTS, LOSSES AND EXPENSES, INCLUDING ATTORNEYS' FEES, THAT MAY BE ASSERTED AGAINST OR INCURRED BY COMPANY OR THE COMPANY PARTIES BY OR DUE TO ANY (I) DEFAULT OR BREACH OF THIS AGREEMENT BY DEALER (INCLUDING ANY BREACH OF ANY REPRESENTATION AND WARRANTY IN THIS AGREEMENT), (II) ACT, ERROR OR OMISSION OF DEALER, OR (III) PERSON OR ENTITY NOT A PARTY TO THIS AGREEMENT, INCLUDING DEALER'S AGENTS, EMPLOYEES, SUBCONTRACTORS, SUPPLIERS, VENDORS, INSURANCE OR BONDING COMPANY, DUE TO, CAUSED BY, IN CONNECTION WITH, ARISING OUT OF OR FROM, RELATED TO, OR AS A CONSEQUENCE OF (I) THE IMPROPER PERFORMANCE OR FAILURE TO PERFORM OF THE EQUIPMENT, THE MONITORING FACILITY OR AN OPERATOR OR OTHER PERSONNEL; (II) BREACH OF CONTRACT, EXPRESS OR IMPLIED; (III) BREACH OF WARRANTY, EXPRESS OR IMPLIED; (IV) THE ACTIVE OR PASSIVE, SOLE, JOINT OR SEVERAL NEGLIGENCE OF ANY KIND OR DEGREE OF COMPANY OR ANY OF THE COMPANY PARTIES; (V) ACTS, ERRORS OR OMISSIONS THAT OCCUR PRIOR TO, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO, THE EXECUTION OF THIS AGREEMENT; (VI) PRODUCT OR STRICT LIABILITY; (VII) CONTRIBUTION OR INDEMNIFICATION, WHETHER IN CONTRACT, TORT OR EQUITY; (VIII) ANY STATUTE, RULE, REGULATION, CODE OR PRACTICE, (IX) TO THE EXTENT NOT COVERED IN ANY PREVIOUS SUB-SECTION OF THIS SECTION, ANY CLAIM FOR LOSS OF DATA, CYBER-LIABILITY, INVASION OF PRIVACY, BREACH OF PRIVACY, ANY CONFIDENTIALITY PROTECTION, RECORDING OF COMMUNICATIONS OR ANY SIMILAR CLAIM, ALL TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

14. **Release For Insurance Covered Claims.** Dealer hereby releases Company and the Company Parties from and against all losses, damages and expenses arising out of or from, in connection with, as a result of, as a consequence of or related to hazards covered by insurance or bond, including the Required Insurance and all deductibles and retained limits as well as loss, damage and expense in excess of available policy limits.

15. **Waiver of Subrogation.** No insurance company, insurer or bonding company or any other person or entity, including their successors or assigns, shall have any rights created by this contract or any other contract, loan agreement, loan receipt, or other like document or procedure, or any right of subrogation, indemnification or contribution against Company or the Company Parties.

16. **Force Majeure: Suspension of Company's Obligations.** Company's obligations under this Agreement are suspended automatically without notice to Dealer or Subscriber and Company and the Company Parties are released for and from all expense, loss or damage to Dealer or Subscribers in the event (i) the Monitoring Facility, any facilities necessary to operate the Monitoring Facility, or any equipment, network or technology used to transmit data or voice or video images to or from the Monitoring Facility is destroyed, damaged, malfunctions or is inoperable for any reason whatsoever, or (ii) of any war, declared or undeclared, terrorism, fire, flood, tornado, hurricane, earthquake or other natural phenomenon, act of God, accident,

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explosion, governmental orders, regulations, restrictions or priorities, strike, lockout or other labor troubles or any other cause beyond the absolute and exclusive control of Company, for the duration of such interruption.

17. **Termination for Cause.** Notwithstanding anything contained in this Agreement to the contrary, the non-breaching party may terminate this Agreement or suspend the Services under this Agreement for breach by (i) mailing written notice to the breaching party five (5) days before any termination of this Agreement (or the suspension of Services hereunder) and (ii) providing the breaching party an opportunity to cure any such breach on or before the fifth day after mailing any such written notice. The failure of either party to terminate this Agreement or suspend Services hereunder for breach or to insist upon strict compliance with its terms shall not constitute or be deemed to be a waiver of rights under this Agreements. The exercise or failure to exercise the right of to terminate this Agreement or to suspend the Services hereunder shall not be deemed to preclude or bar any claim for damages or other remedies at law or in equity, all of which remedies shall be cumulative, except as any rights, claims, or remedies are released, waived or limited by this Agreement.

18. **Notices.** Unless otherwise set forth in this Agreement, any notice required under this Agreement may be delivered personally, by facsimile (with automatic confirmation of receipt), by electronic mail (including sending a document in .pdf or similar format), overnight courier service (with confirmation of receipt), or by certified mail, return receipt requested, to the parties at the addresses set forth above. Either party may change the address to which notices must be sent under this Agreement by a written notice in accordance with the provisions hereof.

19. **Integrated Agreement.** This instrument contains the entire Agreement between the parties hereto with respect to the transactions described in this Agreement and supersedes all previous and contemporaneous negotiations, commitments, contracts, express or implied, warranties, express or implied, statements and representations, whether written or oral, pertaining thereto, all of which shall be deemed merged into this Agreement. Neither party has authority to make or claim any representation, under this Agreement, promise, condition, statement, warranty, or inducement which is not expressed in this Agreement. Should any provision hereof (or portion thereof), or its application to any circumstances, be held illegal, invalid or unenforceable to any extent, the validity and enforceability of the remainder of the provision and this instrument, or of such provisions as applied to any other circumstances, shall not be affected thereby, and shall continue in full force and effect as valid, binding and subsisting. All changes or amendments to this Agreement must be in writing and signed by the parties to be binding on the parties. **NEITHER PARTY HAS AUTHORITY TO MAKE OR CLAIM ANY REPRESENTATION, UNDER THIS AGREEMENT, PROMISE, CONDITION, STATEMENT, WARRANTY, OR INDUCEMENT (COLLECTIVELY, "INDUCEMENT") WHICH IS NOT EXPRESSED IN THIS AGREEMENT. EACH PARTY REPRESENTS THAT IT/HE/SHE IS NOT RELYING ON ANY INDUCEMENT IN SIGNING THIS AGREEMENT WHICH IS NOT EXPRESSED IN THIS AGREEMENT.**

20. **Contractual Limitation of Actions.** All claims, actions or proceedings, legal or equitable, against Company or the Company Parties must be limited to breach of this Agreement and commenced by the initiation of an arbitration claim within one (1) year after the cause of action has accrued or the act, omission or event occurred from which the claim, action or proceeding arises, whichever is earlier, without judicial extension of time, or said claim, action or proceeding is barred, time being of the essence.

21. **Acceptance of Agreement.** This Agreement shall be deemed accepted by the Dealer by (a) execution of this Agreement, (b) use of the Services, or (c) payments, either partial or full, for the Services.

22. **Others Bound By Agreement.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, the individual signing this Agreement for Dealer (the "Individual"), and their respective heirs, executors, administrators, parents, affiliates, subsidiaries, principals, officers, directors, successors and permitted assigns.

23. **Applicable Law.** This Agreement has been made in, and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the state of North Carolina, without regard to conflicts of law rules and without regard to any rule of construction as to which party prepared this Agreement.

24. **Binding Arbitration.** Any claim arising out of or relating to this Contract shall be resolved only and exclusively by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The Arbitration shall be conducted before a single arbitrator, with the hearing taking place in Charlotte, North Carolina. Judgment upon an arbitration award so rendered may be entered in any court of competent jurisdiction. In the event that Company must enter into or participate in arbitration or any other legal proceeding to collect an amount claimed against Dealer under this Contract or any other agreement between the Parties or otherwise, Dealer shall be liable for all costs, expenses, and fees incurred by Company in collecting such amounts, including without limitation reasonable attorneys' fees, unless the arbitrator determines otherwise.

25. **Costs of Conversion.** Unless otherwise agreed in writing, Dealer shall pay all costs of (i) loading/unloading/ modifying Subscriber/Dealer information into/from/in Company's data processing systems, (ii) conversion of Subscribers' Devices to the Monitoring Facility, and (iii) all charges made by any entity for installation, leasing and service charges for equipment or transmission of voice, Signals or video images from the Subscribers' Devices to the Monitoring Facility. Company shall have the right, at any time, to retroactively and prospectively increase the charges for Services to reflect any taxes or charges imposed by any entity or local, state or federal government or governmental agency relating to the Services and which Company pays, and Dealer shall pay the same.

26. **False Alarms.** In the event a Devices is activated for any reason whatsoever, Dealer shall pay without recourse or reimburse Company for all penalties, fines, fees, costs and expenses including attorneys' fees, incurred by or assessed or claimed against Dealer or Company by Subscriber or any court or local, state or federal government or governmental agency.

27. **Binding Agreement.** This Agreement becomes binding upon Company only when (i) signed by an authorized representative of Company, who must be a corporate officer if (a) there are any additions to the Agreement, or (b) any of the terms of this Agreements and conditions have been deleted, altered or substituted by other wording, or (ii) Company performs Services for or on behalf of Dealer.

28. **Assignability.** This Agreement is not assignable by Dealer except upon the written consent of Company, which shall be in Company's sole and absolute discretion; provided, however, in the event Company consents to any assignment, Dealer shall cause the assignee to enter into and execute an assumption agreement in form and substance acceptable to Company in its sole and absolute discretion. This Agreement or any portion thereof is assignable by Company in its sole and absolute discretion. For purposes of this Agreement, a change in the control of 50% or more of the Dealer's equity interests shall be deemed to be a proposed assignment requiring the written consent of the Company, such consent to be in Company's sole and absolute discretion.

29. **Finance and Late Charges.** A finance charge of eighteen percent (18%) per annum (one and one-half percent (1-1/2%) per month) will apply to all obligations not paid pursuant to the terms contained in this Agreement. In addition, Dealer shall pay to Company an administrative fee (late charge) of five percent (5%) of any payment due under this Agreement received by Company after the date on which such payment is due.

30. **Waiver.** If Company shall waive any default by Dealer, it shall not be construed as a waiver of any subsequent default, and Company's failure to exercise any rights under this Agreement shall not be construed as a waiver of any default or be deemed to preclude or bar any claim for damages or other remedies at law or in equity unless specifically waived by Company in writing. Company's rights under this Agreement shall be cumulative, and any rights under this Agreement may be exercised concurrently or consecutively and shall include all remedies available under law and equity even though not expressly referred to in this Agreement.

31. **Subcontractors.** The provisions of this Agreement inure to the benefit of and are applicable to any subcontractors engaged by Company to provide any Service, and bind Dealer to said subcontractor(s) with the same force and effect as they bind Dealer to Company.

32. **Consent to Intercept, Record, Disclose And Use Contents of Communications.** Dealer, for itself, and as the authorized agent of its Subscribers, agents, servants, representatives and employees (individually and collectively, "Any Person"), hereby consents to Company intercepting, recording, retrieving, reviewing, copying, disclosing and using the contents of all telephone, video, wire, oral, electronic, Internet, broadband and other forms of transmission or communication to which Dealer or Any Person and Company are parties.

33. **Prior Agreements With Others.** Dealer represents and warrants that its cancellation or termination of any contract or execution of this Agreement does not breach and will not breach any contract with or obligation to any other person or entity. Dealer shall protect, defend, indemnify and hold harmless Company and the Company Parties from and against and pay (without any condition or obligation that Company or the Company Parties first pay) for all claims arising out of or from, in connection with, resulting from, related to or as a consequence of Dealer's breach of this representation and warranty.

34. **Programming Services.** Programming services consists of inputting, modifying, deleting and using electronic data concerning operation of equipment or the Devices directly by Company or through electronic communication between the Monitoring Facility and the Devices. Dealer hereby releases Company and the Company Parties for all expense, loss and incidental, exemplary, punitive and consequential expense, attorneys' fees, interest, loss or damage to Dealer whether due to the active or passive sole, joint or several negligence of any kind or degree of Company or the Company Parties, its suppliers or subcontractors arising out of or from, in connection with, resulting from, related to or as a consequence of programming services.

35. **Section Headings.** The section titles used in this Agreement are for convenience of the parties only and shall not be considered in construing the provisions of this Agreement.

36. **Termination for Convenience.** Notwithstanding anything in this Agreement to the contrary, Company may, in its sole and absolute discretion, without cause and without any liability, terminate this Agreement on thirty (30) days' notice to Dealer. Following any such termination, Company shall refund to Dealer any pre-paid amounts paid by Dealer for Services to be performed by Company after the termination date.

37. **Credit Investigation Report.** Dealer authorizes and consents to credit investigations and reports at any time by the Company and/or any other person or entity that provides financing to the Company or to whom this Agreement may be assigned.

38. **Company's Right to Notice and Cure.** In the event of any breach of this Agreement by Company, Dealer agrees to provide written notice to Company specifically identifying the nature of the breach and the provisions of this Agreement affected thereby, and to permit Company to cure the breach within five (5) business days after receipt of the written notice or, if the breach cannot be reasonably cured within said period, to promptly commence to cure and diligently proceed until cured. If Company cures any said breach as provided in this Agreement, this Agreement shall continue unabated and Company shall not be liable to Dealer for any loss, damage or expense arising out of or from, resulting from, related to, in connection with or as a consequence of any said breach.

39. **Internet Services.** Company hereby grants to Dealer a non-exclusive, non-transferable license to use the Company's website to access, input, delete and modify Information through the Internet. Except for Dealer's (a) failure to keep confidential all Information, passwords, etc., (b) use of the license or the Information in any manner that negatively affects Company, (c) use of the license or the Information for any illegal purpose, or (d) violation of any applicable law, this license shall continue and be coextensive with the terms of this Agreement. Dealer shall be solely and absolutely responsible for the Information that Dealer inputs, deletes or modifies. Dealer agrees that upon the termination of this Agreement or the Company's termination or suspension of the license or otherwise in Company's sole discretion, Company may immediately, and without notice, disable Dealer's access to the website and cancel all passwords or other access codes.

40. **Execution in Counterparts and by Facsimile or Electronic Mail.** This Agreement may be executed in any number of counterparts, any one of which need not contain the signature of more than one party, but all of which shall together constitute one and the same instrument. The parties agree that this Agreement and the signatures affixed hereto may be transmitted and delivered by facsimile and electronic mail (scanned copy delivered in PDF version) ("Electronic Mail") and that all such signatures and this Agreement transmitted or delivered by facsimile or Electronic Mail shall be deemed to be originals for all purposes and given the same legal force and effect as the original Agreement and original signatures.

41. **Storage of Agreement and Information.** Dealer authorizes Company to store or retain this Agreement and all Information and other written materials on electronic data or other storage media and, in the sole and absolute discretion of Company, to destroy all written documents or materials which have been stored or retained on electronic data or other storage media.

Initial: _____

42. Cross-Default. If Company and Dealer are parties to any other agreement, Dealer acknowledges and agrees that a default by Dealer under this Agreement or any other agreement between the parties shall be deemed to be a default by Dealer under all such agreements between the parties permitting Company to exercise any or all of its rights under any or all of such agreements in the sole and absolute discretion of Company.

43. Electronic Notice. In the event Dealer elects to receive any form of automatic electronic notice (e.g., via e-mail, SMS, automatic telephone messaging or any similar technology) of certain System events, Dealer acknowledges, understands and agrees that (I) any such notice is conditioned on (a) receipt of the data at the Monitoring Facility, (b) the proper operation of communication equipment, services, systems and networks including the Internet, and (c) any failure, malfunction or delay in processing or transmitting the data by Company's equipment or software, and (II) Company is hereby released from any liability arising out of or from, resulting from or in connection with the failure, malfunction or delay of any such notice for any reason, including Company's or Representative's sole, joint or several negligence of any kind of degree.

44. Telephone Lines. Unless indicated in writing on Schedule 2, Company alone owns all right, title and interest in and to the Company Telephone Lines. Company shall take commercially reasonable efforts (at Dealer's sole cost) to transfer control over any Company Telephone Line to Dealer (or Dealer's designee) within a reasonable time following Dealer's satisfaction in full of Dealer's obligations under this Agreement, including payment in full of all amounts due hereunder.

45. Video Systems Consent. Dealer understands and agrees that (i) a video system enables Company to record, store, view and review images of the interior of the Premises and the area outside of the Premises, and (ii) video with audio capability enables Company to listen to, record, store and review oral communications from the interior of the Premises and the area outside of the Premises. Dealer, for Dealer and Subscriber, hereby agrees, authorizes and consents to Company recording, storing, viewing and reviewing video images and listening to, recording, storing and reviewing oral communications transmitted from the video system at the Premises. Dealer agrees to ensure that Subscriber consents to the terms of this paragraph, through the Subscriber monitoring agreement or otherwise in writing, prior to Company's duty to provide Monitoring Services for such Subscriber beginning.

46. Call Recording Systems Consent. Dealer understands and agrees that a call recording system enables Company to record, store, review recordings of the telephone calls received or placed as a normal part of Monitoring Services, including but not limited to telephone calls placed to or received from dealer, subscriber, authorities, and individuals listed for notification of events. Dealer, for Dealer and Subscriber, hereby agrees, authorizes and consents to Company recording, storing, and reviewing call recordings. Dealer agrees to ensure that Subscriber consents to the terms of this paragraph, through the Subscriber monitoring agreement or otherwise in writing, prior to Company's duty to provide Monitoring Services for such Subscriber beginning.

47. Application Use. If you or the equipment at a Subscriber's premises permits Subscribers to access or otherwise use any of the Services through a Smartphone or similar technology (e.g., iPhone, Droid, iPad, etc.) ("Application Use"), Dealer alone shall be solely entirely responsible to comply with the terms of this Agreements, conditions and directions for any Application Use. For the avoidance of doubt, the term "Service" throughout this Agreement includes any Application Use.

IN WITNESS WHEREOF, intending to be legally bound, the signatories have executed this Agreement on the day and year first above written.

WITNESS/ATTEST:

Lake Norman Security Patrol, Inc.
d/b/a Security Central

BY: _____
Name:
Title:

WITNESS/ATTEST:

LEGAL NAME OF DEALER ENTITY

BY: _____
Name:
Title:

Initial: _____

PRICING SCHEDULE

EXHIBIT 1
FORM OF MONITORING CONTRACT

SCHEDULE 2
ACCOUNTS NOT ON COMPANY TELEPHONE LINES