



A Division of LAKE NORMAN SECURITY PATROL, INC
 Post Office Box 5759 • 316 Security Drive • Statesville, North Carolina 28677 • (800) 438-4171 • Fax (704) 878-0309

SECURITY CENTRAL - DEALER CONTRACT

This Contract is made and entered into as of the Effective Date given below by and between SECURITY CENTRAL, a division of Lake Norman Security Patrol, Inc. (the "Company") and _____ (the "Dealer"), an entity duly formed and qualified to do business in the State of _____. Company and Dealer are each also a "Party," and are collectively the "Parties." In consideration of the promises and covenants contained herein, and for other good and valuable consideration, the receipt of which is expressly acknowledged, the Parties agree as follows:

1. Dealer provides certain services to its customers (each a "Subscriber" and collectively "Subscribers") in the nature of sales, installation, service, and monitoring of electronic protective systems ("Protective Systems") located on Subscribers' owned or occupied premises. Dealer enters into Alarm Monitoring Service Agreements with Subscribers to provide for the electronic monitoring of Subscribers' Protective Systems. Dealer hereby contracts with Company to provide such monitoring Services (as defined below) for the Dealer to Subscribers, and Company agrees, under the terms of this Contract, to provide Services for such Subscribers as Dealer may direct.
2. The Services provided by the Company under this Contract (the "Services") are as follows: For each Subscriber for whom Dealer presents to Company a fully executed Alarm Monitoring Service Agreement in such form as provided by or acceptable to Company, Company agrees that while both this Contract and the Alarm Monitoring Service Agreement are in full force and effect, except as may be specified otherwise or otherwise excused in either agreement, to monitor for signals received from the Subscriber's Protective System and, upon receipt of a signal (or absence of an expected signal), to make every commercially reasonable effort to promptly transmit notification of such signal to the police, fire, or other authority as appropriate and also to the person or persons identified to the Company as "Authorized Individuals" on the Alarm Monitoring Service Agreement, unless Company has a reasonable basis to believe that an emergency condition does not exist.
3. In exchange for Company's Services, Dealer will pay Company the annual fees specified in Company's Price List in effect at the time such Services are rendered (the "Fees"). The initial Fees for a Subscriber shall be due before the Company provides Services to that Subscriber, except that if agreed separately by Company and Dealer, Company may institute Services to a Subscriber on a temporary service basis for up to thirty (30) days, within which Dealer shall submit a fully executed Alarm Monitoring Service Agreement to Company and pay the Fees for such Subscriber. If Fees are not timely paid, Company may immediately terminate Services to that Subscriber, and Dealer shall notify Subscriber of the termination. Fees for any Alarm Monitoring Service Agreement renewal shall be due thirty (30) days following the Company's invoice date. Dealer agrees that its failure to pay when due the Fees for any Subscriber's Alarm Monitoring Service Agreement shall automatically and immediately terminate any Company obligation to provide Services to that Subscriber, and such termination shall not be considered an election of remedies by Company. Dealer acknowledges receipt of Company's current Price List and agrees that the Price List, including any subsequent amendments thereto, are incorporated by reference into this Contract.
4. Fees paid shall be nonrefundable unless Services are terminated by action of the Company. Dealer may request, within sixty (60) days following termination of Services to a Subscriber, that any prorated Fees balance remaining for that terminated Subscriber be applied to Services for other Subscribers.
5. In the event that any Fees are not paid when due, or any Fees payment is dishonored by Dealer's bank, a default by Dealer will have occurred, and Company may terminate this Contract by written notice to Dealer. In the case of such termination, Dealer agrees and assumes responsibility to notify all Subscribers of termination of Company Services in full compliance with applicable law. In addition to collecting any Fees balance owed, in the case of a dishonored Fees payment Company may charge and Dealer agrees to pay the maximum non-sufficient funds or bad check fee permitted by law. Any delinquent amounts due the Company under this Contract shall be subject to a late payment or finance charge of one and one-half percent (1 1/2%) per month, or eighteen percent (18%) per annum, until paid.
6. Dealer has a direct relationship with each of its Subscribers, and shall comply with all applicable laws, including (but not limited to) those laws regarding termination of Services to any Subscriber and related notification requirements. Should Dealer notify Company of Dealer's termination of a Subscriber's Alarm Monitoring Service Agreement, or should Company terminate Services to a Subscriber following default by Dealer under this Contract, Company will give Dealer or Subscriber at least fifteen (15) days notice of termination of Services to the Subscriber. Upon expiration of such notice period, all obligations of Company to Subscriber and to Dealer with respect to Subscriber shall terminate without further notice being required.
7. The Parties agree that Company's only obligation under this Contract is to provide Services as defined herein. Dealer specifically agrees to and shall inform each Subscriber of each and every term contained in the Alarm Monitoring Service Agreement provided by Company, receipt of which Dealer expressly acknowledges. Dealer agrees that should it produce its own agreements for use with Subscribers, such agreements must contain all pertinent data fields printed on the front of, and all agreement terms printed on the back of, the Alarm Monitoring Service Agreement (version 0801 or higher) provided by Company.
8. Company does not own and did not design, approve, or install any Subscriber's Protective System, and makes no representations as to the suitability or condition of such system. Company assumes no responsibility for the operation or non-operation, actuation or non-actuation, maintenance, or repair of any Subscriber's Protective System. Under the terms of the Alarm Monitoring Servicing Agreement, each Subscriber agrees to test and set the Protective System in compliance with the manufacturer's instructions, and to notify Dealer promptly upon discovering any operational defect in the system. Upon receipt of such notification, Dealer agrees to and will promptly investigate and resolve any defect in Subscriber's Protective System.
9. Company reacts to unscheduled signals that it receives (and the absence of scheduled signals that it expects to receive) from a Subscriber's Protective System, and those signals are sent to Company over a network (which may include landline, cable, cellular, and Internet signal paths) that is wholly beyond the ownership or control of Company. In the event of any disruption in the network between a Subscriber's Protective System and Company's network interface, or in the event of any change in the network beyond Company's control which causes Company's monitoring system to not recognize or associate signals from a Subscriber's Protective System, then signals from a Subscriber's Protective System will not be received by Company, the failure to receive such signals will not be known to Company, and Company shall not be responsible for any monitoring during such period of disruption or change. In addition, various services provided by a Subscriber's network provider, such as call blocking, call restricting, voice over internet protocol, or service problems such as suspension of service, disconnection of service, or interference of network services, may prevent a Protective System from communicating with Company. Under the terms of the Alarm Monitoring Servicing Agreement, Subscriber agrees to notify Dealer of any changes in Subscriber's network service (whether telephone, cable, cellular, or other, as appropriate). Dealer agrees to and shall then take such action, including notification to Company, as is appropriate.
10. The Parties agree that network providers (including landline, cable, cellular, and Internet) may make hardware and software changes which negatively affect Company's ability to recognize signals and provide Services. It is Dealer's sole responsibility to ensure that Company has all information (as described in instructions provided by Company) necessary for Company to recognize signals and associate the received signals with the correct Subscriber. Any changes (including cancellations or terminations) to Subscriber account information by Dealer must be sent to Company by signed notice as provided herein, unless Dealer has a signed release form on file with Company providing otherwise.
11. (a) While Company is being paid to monitor a Protective System that is designed to reduce certain risks of loss or damage, Company cannot guarantee that loss or damage will not occur. Company encourages each Subscriber to carry adequate insurance to safeguard valuables. Adequate insurance may compensate a Subscriber's losses due to burglary, fire, or other disaster, and which may occur regardless of whether signals from a Subscriber's Protective System are received by Company. COMPANY MAKES NO WARRANTY OR GUARANTY WHATSOEVER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, THAT A SUBSCRIBER'S PROTECTIVE SYSTEM OR COMPANY'S SERVICES WILL PREVENT OR AVERT OCCURRENCES OR CONSEQUENCES THAT THE PROTECTIVE SYSTEM OR SERVICES ARE DESIGNED TO DETECT OR AVERT. COMPANY MAKES NO WARRANTIES OTHER THAN THOSE EXPRESSED 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 CONTRACT.
 (b) Protective Systems are not foolproof, and are not intended to replace insurance. Company is in no way an insurer of a Subscriber's person or premises against loss or damage. Any payments made by a Subscriber or Dealer relating to Company Services are therefore based solely upon the value of the Services, and are unrelated to the value of any property or persons located on a Subscriber's premises. Under the terms of the Alarm Monitoring Servicing Agreement, a Subscriber does not intend for the unrestricted liability of Company. It is impractical and extremely difficult to determine what damages, if any, might proximately result from Company's or Dealer's failure to perform any duty owed to another person, including a Subscriber, or the failure of a Protective System or Services to properly operate, with resulting loss to a Subscriber because of, among other things: (i) the uncertain value of property which may be affected by occurrences which a Protective System or Services are designed to detect or avert; (ii) the uncertainty of response time by any police, fire, or other emergency responder dispatched as a result of a signal; and (iii) the inability to ascertain what portion, if any, of any loss would be proximately caused by failure of Services.
 (c) Dealer does not desire or intend that this Contract provide for unrestricted liability of the Company for loss or damages due directly or indirectly to occurrences, or consequences therefrom, which the Subscriber's Protective System or the Services are designed to detect or avert. Dealer agrees that Company shall be exempt from all liability for loss or damages, including consequential or incidental damages, due directly or indirectly to occurrences, or consequences therefrom, which a Protective System and Services are designed to detect or avert. If the Company is found liable for loss or damages due to a failure of a Subscriber's Protective System or the Services in any respect, Company's liability shall be limited to a sum equal to the lesser of the Fees paid Company for the affected Subscriber or \$500, as liquidated damages and not as a penalty, and the remainder of such liability shall be borne by Dealer.
 (d) The provisions of this Section 11 shall apply as the Dealer's exclusive remedy if loss or damage, irrespective of cause or origin, results directly or indirectly to person or property from Company's performance or nonperformance of obligations imposed by this Contract, or from the negligence of the Company, its agents, or employees. In no event shall the Company be liable for consequential or incidental damages. The Dealer agrees that the Company makes no warranties other than those expressed in writing by the Company, and that no representative of the Company or the Dealer has any authority to make any additional warranties or otherwise vary the terms of this Contract.
 (e) Except as otherwise provided, each Party (as "Indemnitor") shall indemnify, defend and hold harmless the other Party and their respective officers, directors, and employees, and their respective successors and permitted assigns, from and against any and all liability, loss, claim, lawsuit, injury, cost, judgment, damage, or expense whatsoever (including, but not limited to, reasonable attorneys' fees, court costs and costs of settlement) which directly results from or arises out of any breach by the Indemnitor or any of its officers, directors, or employees of any of the Indemnitor's representations, warranties, covenants, or agreements in this Contract.
 (f) Dealer further warrants that it has purchased and will maintain general liability insurance with coverage limits of at least One Million Dollars (\$1,000,000) per occurrence, which insurance will specifically cover Dealer's obligations under this Contract and losses covered by this Section 11. Upon request by Company, Dealer shall provide Company with a current certificate of insurance evidencing such coverage as required herein.
 (g) This Section 11 (including its subparts) shall survive the termination of this Contract.
12. Company owns all right, title, interest, and goodwill of the name "Security Central" and in the various marks and other intellectual property associated with Security Central and the Services. Dealer is hereby granted a limited license by and only during the term of this Contract to use the Security Central name and marks solely in connection with the Services and limited to Dealer's conduct of business in compliance with law and all applicable operating procedures prescribed by the Company. Any unauthorized use of Company's intellectual property is a breach of this Contract and an infringement of the Company's rights in and to such name and property. The Dealer shall not use the Security Central name and marks, or part thereof, as part of any corporate or trade name, nor may the Dealer use such name and marks with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by the Company.
13. Any claim arising out of or relating to this Contract shall be resolved only by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon an arbitration award so rendered may be entered in any court of competent jurisdiction. In the event that Company must enter into arbitration or any other legal proceeding to collect an amount due from Dealer under this Contract or any other agreement between the Parties, 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 or court specifically determines otherwise.
14. All notices under this Contract shall be made by signed writing sent by certified mail, return receipt requested, to the address of the receiving Party indicated herein, which address may be updated by written notice thereof.
15. This Contract contains the entire understanding and agreement between the Parties with respect to the subject matter herein, and no prior statements or representations of any type shall be received in evidence or otherwise used to vary the express terms set forth herein. This Contract may be amended only in a writing signed by the Parties; no oral modification of this Contract shall be enforceable. This Contract shall not be assignable by the Dealer without the written consent of Company. This Contract shall be governed and construed solely under the laws of the State of North Carolina.
16. This Contract is effective only following executions first by an authorized representative of Dealer and then by an authorized employee of Company. The date of execution by Company shall be the "Effective Date" of the Contract. The term of this Contract shall be one (1) year commencing upon the Effective Date, and this Contract shall automatically renew for successive terms unless sooner terminated or unless either Party gives notice of nonrenewal to the other Party at least thirty (30) days prior to the expiration of a term.
 IN WITNESS WHEREOF, the Parties have executed this Contract, and specifically represent that the person executing same on behalf of each Party is fully authorized to do so.

 (Dealer Company Name)

By: _____ Date: _____

Address _____

Lake Norman Security Patrol, Inc.

By: _____

Telephone: _____ Fax: _____

Date: _____ (This date shall be the "Effective Date.")