

EQUIPMENT PURCHASE AGREEMENT (COMMERCIAL)

SUPERIOR ALARMS
600 Ash Avenue • McAllen, Texas 78501
(956) 682-6005 • 1-800-580-6001 • FAX 213-1179

THIS EQUIPMENT PURCHASE AGREEMENT (hereinafter called "this Agreement") is entered into this 27th day of Feb., 20 12, by and between **ALAN YODER ENTERPRISES, INC., d/b/a SUPERIOR ALARMS**, a Texas corporation, whose mailing address is 600 Ash Avenue, McAllen, Texas, 78501, telephone (956) 682-6005, fax (956) 213-1179 (hereinafter called "Company") and Hidalgo Co. Health Dept. whose mailing address is 1304 S. 25th St. Edinburg telephone () 318-2511, fax () (hereinafter called "Subscriber"). For: 211 S. Schwerbach Rd. Mission, TX

I. Sales and Installation Agreement

A. Subject to the terms and conditions herein set forth, Company agrees to sell the equipment (hereinafter called the "System") specified on the attached Rider and to install and make operational the System at the location (hereinafter called the "Premises") likewise set forth on the attached Rider. In consideration of such, Subscriber agrees to pay Company at its address set forth in the introductory Paragraph of this Agreement or such other address as Company may indicate on the attached Rider the sum of \$ 204 AND 40 /100 (\$) DOLLARS as follows: (a) \$ upon execution of this Agreement, (b) \$ upon substantial completion of pre-wiring and any other necessary pre- installation construction; and (c) \$ 1204.40 upon substantial completion of the installation of the System or as otherwise provided on the attached Rider. Subscriber, however, understands that if, upon scrutiny of the Premises after Subscriber's execution of this Agreement, Company or one of its authorized contractors determines that the Premises are not suitable for the exact System described in the attached Rider, Company will install and make the System operational using alternative technology at such additional cost as agreed by Company and Subscriber following the inspection. In the event that Subscriber does not desire to utilize such alternative technology or to pay any additional cost, then this Agreement shall terminate as of the date of such decision, neither party shall owe to the other any further duty or obligation under this Agreement; and Subscriber shall be entitled to receive promptly a refund of any amounts previously paid hereunder.

B. In order that Company may perform the installation set forth herein, Subscriber shall provide Company with unrestricted access to the Premises at all reasonable times and permit the installation, repair, service and/or maintenance of the System in accordance with the attached Rider and Company's standard practices. Subscriber will also provide adequate space, lighting and electrical power for the installation and activation of the System. Company will install the System in substantial compliance with all applicable building codes and other applicable governmental requirements; and except as may be changed or altered pursuant to Paragraph A afore, in accordance with the attached Rider and any details and instructions specified therein.

C. Subject to the terms and conditions herein set forth, Company agrees to install the System within the time indicated on the attached Rider or if no time is set forth, within ten (10) days after this Agreement becomes effective, subject to delays caused by strikes, unavailability of materials, labor shortages, delays in receipt of materials, acts of God, fire, accidents, boycotts, storm or inclement weather, force majeure and other causes beyond Company's control. If Company fails to complete the installation of the System within the applicable time limit (unless such failure results from force majeure or other caused beyond Company's control), Subscriber (as his sole remedy) may either terminate this Agreement by giving Company notice of such decision within five (5) days after the expiration of the applicable time limit, in which event Subscriber shall be entitled to receive promptly a refund of any amount previously paid hereunder and neither party shall owe to the other any further duty or obligation hereunder, or waive such failure and continue this Agreement, but with no change in Subscriber's obligations under this Agreement and with no reduction in the purchase price for the System. Subscriber's failure to give timely notice of cancellation as provided in the just preceding sentence shall be deemed an election to continue this Agreement. If Subscriber is responsible for any substantial delay in installing the System, Company may, at its sole discretion, increase the purchase price for the System by ten (10%) percent per delay, as liquidated damages and not a penalty, or terminate this Agreement pursuant to Section V hereof.

D. Company shall have a security interest in the System sold hereunder until it is fully paid; and Subscriber agrees to perform all acts which may be necessary to perfect Company's security interest in the System. Should Subscriber default in any payment for the System, Subscriber authorizes and empowers Company to remove the System (to the extent allowed by law) from the Premises, to disconnect the System or to render the System incapable of communicating with any monitoring facilities by direct or remote programming or through any other means, and to enforce any and all of Company's rights as a secured party under the Uniform Commercial Code-Secured Transaction; and the exercise of such rights shall not be deemed a waiver of Company's right to damages sustained as a result of Subscriber's default or any other legal remedies or rights. Furthermore and unless otherwise required by law, Company shall be in no way obligated to repair, restore or redecorate the Premises in the event the System is removed pursuant to this Agreement; and Subscriber hereby releases Company for all such foregoing expenses, loss and damage incurred by the Subscriber in this regard. Risk of loss or damage to the System shall pass to Subscriber upon delivery to the Premises, whether installed or not. Subscriber agrees that the System, upon installation, shall remain personal property; and in no event shall the System be deemed to be realty, whether affixed to Premises or not.

II. Subscribers Use of System

A. Subscriber shall follow all of Company's instructions regarding the maintenance and use of the System; and Subscriber will not allow or permit alteration of the System except in a manner approved in writing by Company. Subscriber shall test the System for proper operation at least once a month.

B. Subscriber is responsible for complying with any local or other governmental ordinances or laws which may require a license, permit, fee or other charge with respect to the System. Unless otherwise provided in the attached Rider, Subscriber shall also reimburse Company for any building permits and other fees Company is required to pay under local or other governmental ordinances or laws in order to install the System at the Premises.

C. If Company reasonably determines that the System is generating an excessive number of false alarms or signals which may adversely affect the monitoring facilities or subject Company to liability under a contract with a monitoring facility, Company may, after notice to Subscriber, require Subscriber to pay a reasonable surcharge fee for processing false alarms or signals, if such excessive generation continues.

III. LIMITED WARRANTY OF COMPANY ON SYSTEM:

Company shall not have any liability to Subscriber or to anyone claiming through Subscriber whatsoever with respect to the System except under the Limited Warranty, as follows:

Company ("Warrantor") warrants to the Subscriber ("You") the System to be free from defects in materials and workmanship for one year from date of the original installation

under normal use and service. Warrantor's obligation is limited to repairing or replacing, with reconditioned parts, at its option, free of charge for parts and labor, any component of the System proven to be defective in materials or workmanship under normal use and service. This Limited Warranty, however, is not transferable and obligations under it terminate if the System is resold by You. This Limited Warranty does not cover defects caused by: physical abuse to, or misuse of, the System or operation thereof in a manner contrary to the accompanying instructions.

Should it appear that a defect in material or workmanship in the System exist, You should outline all pertinent detail in a written notice and deliver the notice to Company at the address of Company indicated in the introductory paragraph of this Agreement. Following receipts of the notice a representative of Company will make an inspection of the System; and if a defect in material or workmanship exist in the System, remedial correction action will be scheduled (and taken) within ten (10) calendar days after your notice.

THERE ARE NO EXPRESSED WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. ALL IMPLIED WARRANTIES, OBLIGATIONS OR LIABILITIES MADE BY WARRANTOR TO YOU IN CONNECTION WITH THE SYSTEM, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, ARE LIMITED IN DURATION TO A PERIOD OF ONE YEAR FROM THE DATE OF ORIGINAL PURCHASE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU.

IN NO CASE SHALL WARRANTOR BE LIABLE TO YOU OR TO ANYONE CLAIMING THROUGH YOU FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR BREACH OF THIS OR ANY OTHER WARRANTY, EXPRESSED OR IMPLIED, OR UPON ANY OTHER BASIS OF LIABILITY WHATSOEVER, EVEN IF THE LOSS OR DAMAGE IS CAUSED BY WARRANTOR'S OWN NEGLIGENCE OR FAULT. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state. This Limited Warranty replaces any and all previous warranties, and is the only warranty made by Warrantor on the System.

IV. Limitation of Liability

A. Subscriber understands that local governments or other governmental entities may impose fines, penalties or charges for any false alarm or signal which summons emergency aid unnecessarily. SUBSCRIBER AGREES TO ASSUME ALL RESPONSIBILITY FOR ANY FALSE ALARM OR EMERGENCY SIGNAL GIVEN BY THE SYSTEM ON THE PREMISES. Subscriber agrees to indemnify Company against and hold Company harmless from any Losses (as hereinafter defined) with respect thereto.

B. EVEN IF THE SYSTEM OF SUBSCRIBER IS TESTED REGULARLY AND THE COMPONENTS ARE OPERATING IN ACCORDANCE WITH SPECIFICATIONS, THERE CAN BE NO WARRANTY, REPRESENTATION OR GUARANTY THAT THE SYSTEM WILL NOT BE COMPROMISED OR CIRCUMVENTED BEFORE THE SYSTEM COMMUNICATES AN EMERGENCY SIGNAL TO MONITORING FACILITY OR THAT IT WILL PROVIDE ADEQUATE WARNING IN ANY GIVEN SITUATION. For all these reasons, Subscriber is responsible for insuring life and property with the types and amounts of insurance that Subscriber deems appropriate.

C. Company assumes no liability to Subscriber, or to anyone claiming through Subscriber whatsoever for the System and its operation, except to the extent specified in Section III afore. Subscriber acknowledges and agrees that Company is not an insurer and that the purchase price for the System is not designed to provide insurance coverage. COMPANY MAKES NO GUARANTY, REPRESENTATION OR WARRANTY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, TO SUBSCRIBER, THAT THE SYSTEM WILL PREVENT LOSS OF LIFE, PERSONAL INJURY, PROPERTY DAMAGES, ECONOMIC OR ANY OTHER LOSS BY BURGLARY, ROBBERY, FIRE OR OTHERWISE, OR THAT THE SYSTEM WILL IN ALL CASES PROVIDE ADEQUATE WARNING OR PROTECTION, NOR DOES COMPANY HAVE OR ASSUME ANY RESPONSIBILITY TO SUBSCRIBER, OR TO ANYONE CLAIMING THROUGH SUBSCRIBER, WHATSOEVER FOR ANY LOSS OF LIFE, PERSONAL INJURY, PROPERTY DAMAGE, ECONOMIC OR OTHER LOSS SUSTAINED AS A RESULT OF ANY CAUSE WHATSOEVER INCLUDING THE NEGLIGENT PERFORMANCE BY COMPANY OR FAILURE TO PERFORM BY COMPANY ANY OBLIGATION UNDER THIS AGREEMENT. IF COMPANY OR COMPANY'S RELATED PARTIES (AS THAT TERM IS HEREINAFTER DEFINED) SHOULD, NEVERTHELESS, BE FOUND LIABLE TO SUBSCRIBER, OR TO ANYONE CLAIMING THROUGH SUBSCRIBER, WHETHER DIRECTLY OR INDIRECTLY, FOR ANY LOSS OF LIFE, PERSONAL INJURY, PROPERTY DAMAGE, ECONOMIC OR OTHER LOSS ARISING UNDER OR RESULTING FROM

THIS AGREEMENT OR OTHERWISE, REGARDLESS OF CAUSE OR ORIGIN, ON ANY BASIS WHATSOEVER, EVEN IF THE RESULT OF THE NEGLIGENCE OF COMPANY AND/OR COMPANY'S RELATED PARTIES, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE, ORDINARY OR GROSS, COMPANY'S AND COMPANY'S RELATED PARTIES' COLLECTIVE TOTAL MAXIMUM LIABILITY IS LIMITED TO AND SHALL NOT EXCEED \$1,000.00, WHICH SHALL BE THE COMPLETE AND EXCLUSIVE REMEDY AGAINST COMPANY AND COMPANY'S RELATED PARTIES.

D. Subscriber acknowledges that it is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from a failure by Company to perform any of the obligations contained in this Agreement, including, but not limited to installation, service, maintenance or the failure of the System to properly operate with resulting loss to Subscriber because of, among other things:

- (1) the uncertain amount of value of Subscriber's property or the property of others kept on the Premises which may be lost, stolen, destroyed, damaged or otherwise affected by occurrences which the System is designed to detect or avert;
- (2) the uncertainty of the response time of any police or fire department, should the police or fire department be dispatched by a monitoring facility or an audible device sounding;
- (3) the inability to ascertain what portion, if any, of any loss would be proximately caused by Company's failure to perform or by the failure of the System; and
- (4) the nature of the service to be performed by Company.

SUBSCRIBER UNDERSTANDS AND AGREES THAT IF COMPANY OR COMPANY'S RELATED PARTIES SHOULD BE FOUND LIABLE TO SUBSCRIBER OR TO ANYONE CLAIMING THROUGH SUBSCRIBER, WHETHER DIRECTLY OR INDIRECTLY, FOR LOSS OF LIFE, PERSONAL INJURY, PROPERTY DAMAGE, ECONOMIC OR OTHER LOSS ARISING UNDER OR RESULTING FROM THIS AGREEMENT OR OTHERWISE, REGARDLESS OF CAUSE OR ORIGIN, ON ANY BASIS WHATSOEVER, EVEN IF THE RESULT OF THE NEGLIGENCE OF COMPANY AND/OR COMPANY'S RELATED PARTIES, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE, ORDINARY OR GROSS, COMPANY'S AND COMPANY'S RELATED PARTIES' COLLECTIVE TOTAL MAXIMUM LIABILITY TO SUBSCRIBER AND ANYONE CLAIMING THROUGH SUBSCRIBER IS LIMITED TO AND SHALL NOT IN ANY CASE EXCEED \$1,000.00, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND THIS LIABILITY SHALL BE EXCLUSIVE. COMPANY AND COMPANY'S RELATED PARTIES SHALL NOT BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES.

E. In the event any third party (including any insurance carrier of Subscriber, a person claiming through Subscriber or any other third party), makes any claim or commences any action against Company related in any manner to this Agreement or the System regardless of cause or origin, whether based upon or due to alleged defects, acts or omissions, active or passive negligence, strict or product liability, breach of warranty or contract, or otherwise, Subscriber agrees to indemnify Company and to hold Company harmless against all Losses in excess of the monetary limits provided in Paragraph C and D of this Section.

F. **WHEN SUBSCRIBER AGREES TO INDEMNIFY COMPANY IN THIS AGREEMENT, SUBSCRIBER (AT HIS SOLE COST AND EXPENSE) AGREES TO INDEMNIFY, KEEP INDEMNIFIED, DEFEND AND HOLD COMPANY, AND ANY OF ITS PRESENT OR FUTURE OFFICERS, DIRECTORS, EMPLOYEES, PARENTS, SUBSIDIARIES, AGENTS, SUCCESSORS, ASSIGNEES, CONTRACTORS, LICENSEES OR AFFILIATES AND ANY OTHER PERSON WHOMSOEVER ACTING FOR OR ON BEHALF OF COMPANY (COLLECTIVELY, HEREIN CALLED "COMPANY'S RELATED PARTIES") HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, LOSSES, LIABILITIES, FEES (INCLUDING ATTORNEY'S FEES), COSTS (INCLUDING COSTS OF COURT), AND EXPENSES (COLLECTIVELY, HEREIN CALLED "LOSSES") IN ANY WAY OR MANNER WHATSOEVER ARISING FROM OR ATTRIBUTABLE TO THE MATTER(S) BEING INDEMNIFIED AGAINST EVEN IF THE RESULT OF THE NEGLIGENCE OF COMPANY AND/OR COMPANY'S RELATED PARTIES, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE, ORDINARY OR GROSS. EACH AND EVERY COVENANT BY SUBSCRIBER TO INDEMNIFY AND HOLD COMPANY HARMLESS SHALL SURVIVE THE EXPIRATION, TERMINATION OR CANCELLATION OF THIS AGREEMENT.**

ACKNOWLEDGEMENT OF CUSTOMER

SUBSCRIBER SPECIFICALLY ACKNOWLEDGES THAT THE LIMITED LIABILITY ASPECT OF THIS AGREEMENT CONSTITUTES THE ESSENCE OF SAME AND SUBSCRIBER SPECIFICALLY AGREES TO BE BOUND, WITHOUT LIMITATION OR RESERVATION, TO EACH AND EVERY PROVISION OF THE PARAGRAPHS CONTAINED IN THE "LIMITATION ON LIABILITY" SECTION OF THIS AGREEMENT INCLUDING THOSE PARAGRAPHS REDUCING, LIMITING OR ELIMINATING WARRANTIES, REPRESENTATIONS, CONTRACTUAL OBLIGATIONS AND DAMAGES AND REQUIRING INDEMNIFICATION. SUBSCRIBER FULLY UNDERSTANDS THAT EXECUTION OF THIS ACKNOWLEDGEMENT CONSTITUTES A SPECIFIC INDUCEMENT FOR COMPANY TO EFFECTUATE THIS AGREEMENT.

V. Customer Default: Company's Remedies:

A. Subscriber will be in default and breach of this Agreement if Subscriber fails to pay to Company any fees, charges or other amounts as and when due; or Subscriber fails to perform any of Subscriber's other obligations under this Agreement and Subscriber's failure to perform continues for three calendar days after Company gives Subscriber notice.

B. If Subscriber is in default or breach of this Agreement, in addition to any other remedies provided herein or by law, Company may do any or all of the following without releasing Subscriber:

- (1) by notice to Subscriber, terminate this Agreement;
- (2) by notice to Subscriber, declare immediately due and payable all consideration to be paid by Subscriber under this Agreement.

All remedies provided for herein are deemed to be cumulative. Pursuit by Company of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any damages accruing to Company by reason of the violation of any of the terms, provisions and covenants of this Agreement. Forbearance by Company to enforce one or more of the remedies herein provided upon default by Subscriber shall not be deemed or construed to constitute a waiver of such default.

VI. Contract For Monitoring Service

Subscriber understands that Company does not provide monitoring of emergency signals emanating from the System and if that service is desired by Subscriber, Subscriber is responsible for contracting with a monitoring facility. Superior Central Station, Inc. provides monitoring service to most of Company's customers; but Subscriber is not required to utilize that entity. Which ever monitoring service Subscriber chooses, if any, the alarm monitoring service agreement with that entity will prescribe the terms and conditions under which the System will be monitored; and Company has no responsibility for that operation and function.

VII. Miscellaneous

A. Any notice required or permitted to be given hereunder by one party to the other shall be in writing and shall be mailed by first class or express mail, postage prepaid, registered or certified with return receipt requested, or sent by telex, telegram, telecopy or other similar form of rapid transmission, or personally delivered to the receiving party. All such communications shall be mailed, sent or delivered at the physical addresses of Subscriber and Company indicated in the introductory Paragraph of this Agreement or at such other address as either party may have furnished the other party in writing. Any communication so addressed and mailed shall be deemed to be given when so mailed, and any notice so sent by rapid transmission shall be deemed to be given when receipt of such transmission is acknowledged by the receiving operator or equipment, and any communication so delivered in person shall be deemed to be given when received for by Subscriber or Company or a duly authorized agent thereof, as the case may be. All invoices by Company notifying Subscriber that an installment is due may be mailed by first class mail, postage prepaid, to the address of Subscriber indicated in the introductory Paragraph of this Agreement (or such other address as Subscriber has furnished pursuant to the provisions of this Paragraph A) and such invoices so addressed and mailed shall be deemed to be given when so mailed.

B. This Agreement shall be governed by the laws of the State of Texas and the United States of America. This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter of this Agreement, and merges and shall supersede all prior agreements, commitments, representations, writings, negotiations and discussion between them except that all acknowledgments, representations and warranties made to Company herein shall survive the execution and delivery of this Agreement. Headings to Sections of this Agreement have been inserted for convenient reference only and except for the Section III heading shall not modify, define, limit or expand the express provisions hereof. The pronouns used in this Agreement shall be construed as masculine, feminine or neuter, singular or plural, as the occasion may require. All Riders, schedules or exhibits annexed hereto and all documents referred to herein are hereby incorporated in and made a part of this Agreement as set forth in full herein. Each individual signing this Agreement represents and warrants to every party hereto that he is duly authorized to execute same in the capacity stated and as an act of the entity for whom he signs. Time is of the essence to this Agreement and each and every provision thereof. If any provision of this Agreement is held illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part hereof, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provisions, there shall be automatically added as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable. This provision shall be deemed paramount and control over all other provisions of this Agreement. This Agreement shall be binding on the heirs, personal representatives, successors and assigns of the parties hereto. This Agreement may be executed in several counterparts, each of which shall be fully effective as an original and all of which, together, shall constitute one and the same instrument. Whenever Company is entitled to consent to any act, matter or thing, "with or without cause", or whenever in this Agreement any act, matter or thing is to be "satisfactory to Company", "acceptable to Company", "approved by Company", or words of similar import, or whenever in this Agreement Company is entitled to act or not to act "in its sole discretion" or otherwise whenever in this Agreement Company is granted discretion, such discretion, acceptance, consent, approval or satisfaction (or lack thereof) may be withheld or exercised by Company, as the case may be, for any reason or for no reason, whether or not such refusal or exercise is arbitrary, uncontrolled or unreasonable, and any such refusal or exercise shall not be subject to appeal to or to adjudication by courts of law or otherwise.

C. This Agreement is binding on Company and shall be effective only if signed by a duly authorized representative of Company.

X _____
SUBSCRIBER

COMPANY
ALAN YODER ENTERPRISES, INC.

By: _____

Name:

Title:

