

Installation and Service Agreement

No. Q-00416828

This Agreement is made and entered into this 28th day of June 2013 between Stanley Convergent Security Solutions, Inc., with its principal office located at 55 Shuman Blvd, Naperville, Illinois 60563, hereinafter referred to as "SCSS" and NES, LLC 9 East 71st Street, hereinafter referred to as "Customer".

1. System and Service

- SCSS will sell and install, provide warranty and after-warranty repair service, and provide monitoring and other services for the security systems (individually or collectively the "System" or "Sold System") as described on the attached Schedule of Equipment and Services (the "Schedule.")
- SCSS will install, provide repair service and provide monitoring and the other services for the security systems (individually or collectively the "System" or "SCSS System") described on the attached Schedule. A SCSS System remains the sole and exclusive property of SCSS.

The System will be installed at the premises of the Customer located at: 9 East 71st Street, New York, NY 10021

Customer agrees that it has chosen this System and understands that additional or different protection is available for a higher price.

2. Terms, Renewal and Expiration

- A. This Agreement is effective as of the execution date of this Agreement and for use of the System and services shall have an initial term of Standard 60 Months (5 Years) from the date the System first becomes operative under this Agreement, and thereafter shall be automatically renewed for consecutive terms of twelve (12) months, except where prohibited by applicable law in which case the Agreement will renew from month to month, unless either party gives written notice at least sixty (60) days prior to the end of such term, to the other of intent to allow the Agreement to expire as of the end of the then-current term. Customer agrees that SCSS retains a security interest in the equipment until the full purchase price is paid.

3. Payment and Scope (prices do not include any applicable state and local sales or use tax):

- A. Payment – Customer agrees to pay SCSS:
- ~~\$69,500.00~~ for the price of a Sold System and the installation of the System.
 - \$0.00 upon signing of this Agreement.
 - Progress payments as follows:
 - \$0.00 upon completion of the installation
 - \$91.00 for services per month, as described in the Schedule of Service and Protection, payable monthly quarterly semi-annually or annually, in advance commencing from the first (1st) day of the month following the date the system becomes operative. Customer also agrees to pay interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the system becomes operative until the first (1st) of the following month.
 - SCSS may at any time following the expiration of 24 Months (2 Years) of this Agreement, increase the monthly charge specified in 3.A.ii, once in any 24 Months (2 Years) period. If SCSS increases the basic monthly charge in any year by an amount greater than 3% percent, Customer may terminate the Agreement upon written notice to SCSS within fifteen (15) days of notification of such increase.
- B. Services
- SCSS will provide the services specified on the attached Schedule. For a Sold System, at the expiration of the limited warranty, repair service will be on a time and material basis unless Customer subscribes to a service plan described on the Schedule. Repair services for a SCSS System are described on the Schedule.

4. Liquidated Damages and SCSS's Limits of Liability

- A. It is understood and agreed by the parties hereto that SCSS is providing a System and/or service designed to reduce the risk of loss only; that the payments provided for herein are based solely on the value of the use of the System and/or services as described herein and are unrelated to the value of any property located on Customer's premises; that SCSS is not liable for losses which may occur in cases of malfunction or nonfunction of any System provided by, or serviced by, SCSS, that SCSS is not liable for losses resulting from failure to warn or inadequate training; that SCSS is not an insurer; and that insurance covering personal injury, property loss, damage to and on Customer's premises must be obtained and/or maintained by Customer. Customer understands that it is Customer's duty to purchase such insurance; that SCSS offers several levels of protection and services and that the System and/or service described in the Schedule of Service and Protection has been chosen by Customer after considering and balancing the levels of protection afforded by various systems and the related costs.
- B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CUSTOMER'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CUSTOMER'S DATA, INABILITY OF SCSS TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CUSTOMER'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE IF ARTICLE 4A IS JUDICIALLY DETERMINED TO BE INVALID OR UNENFORCEABLE AND ANY LIABILITY IS JUDICIALLY IMPOSED ON SCSS, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE OR \$10,000, WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE, SCSS'S LIABILITY SHALL BE LIMITED TO \$500.) THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE SCSS'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS CONTRACT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF SCSS, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST SCSS MORE THAN ONE (1) YEAR AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES. IF CUSTOMER WISHES SCSS TO INCREASE THE AMOUNT OF THE LIABILITY LIMITATION OR LIQUIDATED DAMAGES AS PROVIDED ABOVE, CUSTOMER MAY OBTAIN FROM SCSS AN ADDITIONAL AMOUNT OF LIMITED LIABILITY OR LIQUIDATED DAMAGES BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO SCSS, SUBJECT TO WRITTEN APPROVAL BY AN AUTHORIZED SCSS REPRESENTATIVE SETTING FORTH SAID TERMS. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH SCSS AS AN INSURER.
- C. SINCE THE PARTIES AGREE THAT CUSTOMER RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS IN ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO HIS/HER OWN PROPERTY OR THE PROPERTY OF OTHERS IN ITS PREMISES, CUSTOMER AGREES TO INDEMNIFY AND SAVE HARMLESS SCSS, ITS EMPLOYEES, AGENTS, AND REPRESENTATIVES FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES, BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY SCSS OF ANY SERVICE, INCLUDING BUT NOT LIMITED TO INSTALLATION, MONITORING, SIGNAL-HANDLING OR NOTIFICATION ASPECTS OF THE SERVICE.
- D. With respect to SCSS owned systems, CUSTOMER EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CUSTOMER BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY SCSS'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.
- E. Paragraphs A through D of this Article 4 shall apply to any other company or entity, and the work they perform, which, in addition to SCSS, furnishes as a subcontractor or otherwise, any equipment, installation, monitoring, repairs or other services provided hereunder.
- F. LIMITED WARRANTY. [SOLD SYSTEM ONLY]

SCSS warrants that the equipment will be free from defects in material and workmanship for a period of Standard 90 Days from the date the security system is placed into operation. If during this warranty period, any of the equipment or parts are defective or malfunction, they will be repaired or replaced, at SCSS's sole option, free of charge. Warranty repair is done 8 am-4 pm Monday through Friday, excluding holidays. This warranty will not apply if the damage or malfunction occurs because the system has been adjusted, added to, altered, abused, misused or tampered with by the Customer, operated or used contrary to the operating instructions, software has been used with an operating system other than that specified by SCSS or its original equipment manufacturer ("OEM"), performance issues relating to the use of Customer's data network(s), power fluctuations, or any other cause not within the cause or control of SCSS. If inspection by SCSS fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Customer's expense and SCSS's regular service charges will apply.

DISCLAIMER OF ALL OTHER WARRANTIES: EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY DESCRIBED ABOVE, SCSS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. IN NO EVENT, WILL SCSS, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER. SCSS MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CUSTOMER'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

STATE LAW: SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO CUSTOMER. THE WARRANTY GIVES CUSTOMER SPECIFIC LEGAL RIGHTS AND CUSTOMER MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

5. Miscellaneous Charges and Increase in Charges

License Information: AL 12-888; 12-847; 12-1322; 12-1278; A-0333; A-0331; AR E2010 0017; Regulated by Arkansas Bd of Private Investigators and Private Security Agencies, #1 State Police Plaza Dr, Little Rock, AR 72209 501-618-8600 AZ ROC204975; CA ACO6055; 848019; C7; C10; Alarm company operators are licensed and regulated by the Bureau of Security & Investigative Services, Dept. of Consumer Affairs, Sacramento, CA 95814; DE FAL-0001; 04-158; FL EF20000495; EF000117; EF20000512; EF00000772; GA LVU405586; KY 338; IL 127.001274; 124.000430; LA F875; F1162; F1277; MA 3519 C; MD 107-1717; Maryland State Police, Licensing Division, 1111 Reisterstown Rd, Pikesville, MD 21208; MI 5103306; 3601205772; MS T501238; MS 19207-SC; MT FPL-BEL-000132; NV 0071024; F400; F401; NV 12000293169; NJ 348F00017200; NC 2185-CSA; 25055-SP-LV; OH 53-89-1512; OK 953; OR 161567; SC BAC5501; FAC 3387 Fee; TN 1446; 1461; 1540; 1448; 1180; 1650; 1446; 65528; TX AC R2639; B02140; ECR-1821; UT 5704068-6501; VA 11-5481; 2706-087235A; Commonwealth of Virginia, Dept. of Criminal Justice Services, 805 East Broad Street, 9th FL, Richmond, VA 23219; WA STANLCS925M2; WY LV-G-23879 CANADA (Québec) RBQ 2729-5609-6-51 REV1(2013.02.15)

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- A. Customer shall pay any City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to SCSS for facilities required for transmission of signals under this Agreement.
- B. At SCSS's option, a fee may be charged for any false alarm caused by Customer or for any unnecessary service run. If either SCSS or Customer is assessed any fine or penalty by any municipality, fire or police protection district as a result of any false alarm, Customer shall pay the full amount of such fine or penalty.
- C. Charges for toll free telephone usage, if selected by Customer, are included in the payment described in paragraph 3(A). SCSS may immediately increase its monthly charges to reflect any increase in charges for toll free service. Customer shall pay any other telephone company toll line charges, including installation.
- D. Installation charges set forth in Article 3 assume installation will be performed during SCSS's normal working hours and using its own personnel. If Customer requests the installation or any part thereof to be performed outside ordinary business hours, or if the installation must be performed by outside contractors, or SCSS's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.
- E. If any government agency requires any changes in the system originally installed, Customer agrees to pay for such changes. It is Customer's responsibility to obtain all alarm use permits required by the local jurisdiction.
- F. SCSS shall charge interest at the rate of 1 1/2% per month, or the maximum permitted by law, on any delinquent balance. A balance becomes delinquent thirty (30) days after payment is due under Article 3. SCSS may also, upon written notice to Customer, stop providing monitoring and maintenance services if Customer is delinquent on any payment. SCSS may charge \$25.00 for any NSF check or the maximum permitted by law.

6. Further Obligations of Customer

- A. Customer shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment or otherwise interfere with equipment installed by SCSS, nor shall Customer permit the same to be done by others. It is further agreed that Customer indemnifies and holds SCSS harmless for any claim arising out of the foregoing and that if any work is required to be performed by SCSS, due to Customer's breach of the foregoing obligations, Customer will pay SCSS for such work in accordance with SCSS's then-current prevailing charges.
- B. For those premises where SCSS is to provide monitoring, Customer shall furnish SCSS a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Customer during scheduled closed periods and shall be responsible for updating such lists. In cases of supervised service, Customer shall also furnish SCSS with an authorized daily and holiday opening and closing schedule.
- C. Customer shall set the alarm system at such times as Customer shall close its premises. Customer shall test the alarm system prior to each closed period and shall immediately report to SCSS any claimed inadequacy in or failure of the system. Customer shall perform a periodic walk test of any motion detection equipment used on the premises.
- D. Customer shall permit SCSS access to the premises for any reason arising out of or in connection with SCSS's rights or obligations under this Agreement.
- E. Should any part of the system be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of SCSS, any repairs or replacement shall be paid for by Customer (ordinary wear and tear excepted in the case of a SCSS owned system.)
- F. Any claim by Customer of improper installation or a defect in the system shall be made in writing to SCSS within thirty (30) days of installation completion. Such obligation shall not waive Customer's warranty rights under Article 4.F., *Limited Warranty*.
- G. Customer represents and warrants that Customer is the owner of the premises or, if not, that the owner agrees and consents to the installation of the system on the premises. Customer shall indemnify and hold SCSS harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from SCSS's inability to recover system components when Customer moves out of the premises.
- H. For those premises where SCSS is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Customer warrants and agrees that all alarm valves, gate valves, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Customer's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with SCSS's signaling devices. Customer further agrees to furnish any necessary water through Customer's meter and at Customer's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.
- I. It is mutually agreed that the Customer assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Customer's premises.
- J. Customer represents that, except to the extent it has given SCSS written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulations, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Customer) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond SCSS's reasonable control and SCSS shall not start or continue to perform its work under the contract until Customer has remedied the unsafe or unlawful condition at Customer's sole expense. Customer shall indemnify and hold SCSS and its assigns harmless from and against any and all claims, costs and expenses of any kind (including attorney's fees) for fines, penalties, back wages, bodily injury, property damage, delay or work stoppage that arises under or results from a breach of the foregoing representations (regardless of whether or not Customer disclosed such materials to SCSS).
- K. Customer agrees that SCSS may conduct a credit investigation and review. In such event, Customer shall provide, in a timely manner, such financial information as SCSS may request. Customer represents and warrants that all such financial information accurately and completely presents Customer's financial condition as of the date of execution of this Agreement.
- L. Customer hereby authorizes SCSS to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Customer's behalf and to file such documents in all places where necessary to perfect SCSS's interest in the equipment. Customer agrees to execute any such instruments as SCSS may request from time to time.

7. Further Obligations of SCSS; Limitations

- A. SCSS shall not be held responsible or liable for delay in installation of the system or interruption of service, due to strikes, lockouts, riots, floods, fires, lightning, acts of God or any cause beyond the control of SCSS, including interruptions in telephone service. SCSS will not be required to perform installation or supply service to Customer while any such cause shall continue.
- B. If Customer has subscribed to monitoring service, the System will be connected to SCSS's monitoring facility (the "Center"). Unless specifically requested otherwise by the Customer and approved by SCSS's Center, when a burglar alarm signal from the alarm system is received, the Center will first try to telephone Customer's premises, and if there is no answer then will try to telephone the first available person on Customer's emergency call list, to verify whether or not an emergency condition requiring police response exists. If there is no answer to both of these calls or the person contacted indicates that an emergency exists, the Center will attempt to notify the police department. The Center will also attempt to contact someone on the emergency call list to advise them that the police have been notified. When a fire alarm, hold-up alarm or duress alarm signal is received, the Center will attempt to notify the police or fire department or other emergency personnel and the first available person on the emergency call list. When a non-emergency signal is received, the Center will attempt to contact the premises or the first available person on the emergency call list but will not notify emergency authorities. The Center may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. SCSS and Customer are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the system. SCSS reserves the right to discontinue or change any particular response service due to such governmental or insurance requirements without notice. Customer consents to the tape and video recording of telephonic and video communications between Customer's premises and SCSS, and will inform its employees and third parties that such recordings are authorized. If Customer's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Customer agrees to subscribe to such service if provided by SCSS, or otherwise comply with such requirements, and an additional fee may apply for such services.
- C. If video equipment is installed, it will be integrated into the system. When the video equipment is activated, it will send a video transmission to the Center. The Center will first attempt to verify the nature of the emergency by viewing the video. If the Center determines that an emergency condition exists, it will try to first telephone the premises, if available, and report the emergency condition. If there is no answer or the person answering confirms the emergency condition, then, based upon the nature of the emergency condition, the Center will notify the proper police or fire department or other emergency personnel, and the next available person on the emergency call list. If the Center determines that an emergency condition does not exist or the video is inconclusive, the Center will use the notification procedures set forth in paragraph 7B above.
- D. Customer understands that, if the system installed is monitored, due to the nature of the method used for communicating alarm signals to the SCSS's monitoring center, there may be times when that communication method is not able to transmit signals and SCSS will not receive alarm signals. Digital communicators use standard telephone lines and SCSS does not receive signals when the telephone system becomes non-operational or the telephone line is placed on vacation status, cut, interfered with or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems or Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communications channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Customer understands that SCSS offers several levels of communication methods of alarm signals to the monitoring center and that the Services described on the front page of this Agreement and on the Schedule of Service and Protection have been chosen by Customer after considering and balancing the levels of protection afforded by various communication methods and the related costs. Customer acknowledges and agrees that Customer is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond SCSS's control and are maintained and serviced, solely by the applicable carrier or provider. Customer agrees to reimburse SCSS for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the system from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the system. Such services should be installed on a telephone number that is not used for alarm signal transmission. Customer agrees to notify SCSS if Customer has installed or intend to install DSL or other broadband service. **IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.**
- E. For those premises with a direct connection to the police, fire department or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other agencies, and that the personnel of such police and/or fire departments or other agencies are not SCSS's agents nor does SCSS assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

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- F. SCSS shall not be responsible for the replacement of equipment or parts no longer commercially available to SCSS.
- G. If an Access Control Preventative Maintenance or Software Support option is selected by Customer, SCSS will provide and install software upgrades as they become commercially available, during normal SCSS working hours. Software upgrades that do not affect the Customer's current operations, as solely determined by SCSS and the OEM, will not be installed by SCSS. In the event the Customer elects to have someone other than SCSS install the software upgrade, the Customer shall assume any and all liability for any damage caused pursuant to the installation. Service and upgrades for third party software not supplied by SCSS are excluded from this agreement.

8. Title to the SCSS System; Proprietary Protection

- A. A SCSS System shall at all times remain solely the property of SCSS, or its assignee and Customer agrees not to permit the attachment thereto of any equipment not furnished by SCSS. It is further understood and agreed that SCSS may remove or abandon all or any part of the SCSS System, including all wiring installed by SCSS, upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise without any obligation to repair or redecorate any portion of the protected premises, provided that such removal or abandonment shall not be held to constitute a waiver of the right of SCSS, or its assignee, to collect any charges which have accrued hereunder.
- B. Customer shall keep all SCSS owned equipment at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Customer shall give SCSS immediate notice of any such attachment or other judicial process affecting any of the equipment. Without SCSS's written permission, Customer shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without SCSS's prior written consent, then all of the new equipment shall become equipment owned by SCSS subject to this Agreement and the applicable Schedule.
- C. Any computer application program and/or documentation, collectively referred to as "Software", that is provided by SCSS under this agreement for a Sold System or a SCSS System, is owned by SCSS, its affiliates or one of its OEM's and is protected by United States and international copyright laws and international treaty provisions. Any breach of this agreement will automatically terminate the Customer's right to use this Software, and the Customer is obligated to immediately return such Software to SCSS. Customer may not copy the Software for any reason other than per the dictates of any end user software license agreement. Customer may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any Software. Customer acknowledges that any breach of this section shall result in irreparable injury to SCSS for which the amount of damages would be unascertainable. Therefore, SCSS may, in addition to pursuing any and all remedies provided by law, obtain an injunction against Customer from any court having jurisdiction, restraining any violation of this section.

9. Termination

- A. SCSS may terminate this Agreement immediately upon written notice:
 - i. In the event Customer defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, in which case the balance of all monies due and for the unexpired term of this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate. Customer shall also pay attorney and/or collection fees, defined as an additional thirty-five percent (35%) of the outstanding balance owed, incurred in collecting Customer's account; or
 - ii. In the event SCSS's Customer Service Center, the telephone lines, wires or SCSS's equipment within Customer premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Customer's premises; or
 - iii. As provided in Article 2 relating to expiration.
- B. Customer may terminate the Agreement:
 - i. Immediately upon written notice, in the event Customer's premises are, by any cause beyond the control of the Customer, destroyed or so substantially damaged that it is commercially impractical for Customer to continue any operations at such premises; provided that if the Customer is using SCSS-owned equipment, the Customer must pay SCSS all payments remaining to be made under this Agreement through its scheduled expiration; or
 - ii. As provided in Article 2 relating to expiration and Article 3(A) relating to price increases.
- C. Upon termination of this Agreement, Customer shall permit SCSS access to Customer's premises in order to deactivate the telephone line signaling device and/or to remove the System pursuant to Article B.

10. Assignment

This Agreement is not assignable by the Customer except upon written consent of SCSS first being obtained. SCSS shall have the right to assign this Agreement, or to subcontract any of its obligations under this Agreement, without notice to, or consent of, the Customer.

11. Insurance and Waiver of Subrogation

Customer shall obtain, and maintain, insurance coverage to cover all losses, damage, or injury, related to or sustained by Customer in connection with, the services provided by SCSS. For all losses, damage or injury above the limits set forth in paragraph 4B, Customer shall look solely to its insurer for recovery of its loss and hereby waives any and all claims for such loss against SCSS. Customer agrees to obtain insurance permitting said waiver without invalidating coverage. Customer does hereby for itself and other parties claiming under it, release and discharge SCSS from and against all claims arising from hazards covered by Customer's insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against SCSS.

12. Severability and Savings

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

13. Trial by Jury

Unless prohibited by law, both parties to this agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect of any litigation arising out of, under, in connection with, or relating to this agreement.

14. Choice of Law

This agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principals that would require the application of any other law.

15. Entire Agreement

It is agreed to and understood by the parties that this Agreement, including the provisions of Article 4 and on the attached Schedule, constitute the entire Agreement between the parties, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to the premises covered by this Agreement. This Agreement may not be changed, modified or varied except in writing, signed by an authorized representative of SCSS. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Customer. This Agreement shall not become binding on SCSS until approved and accepted by SCSS or SCSS begins the installation or services as provided below. Customer hereby acknowledges that he/she has read this entire Agreement and agrees to be bound by all its terms and conditions.



Stanley Convergent Security Solutions, Inc.

Quote: Q-00416828

Stanley Convergent Security Solutions, Inc.

Customer: NES,LLC 9 East 71st Street

Andrew McCaffrey

Security Representative(Sign)

Andrew McCaffrey

Security Representative(Print)

Customer(Sign)

Customer (Print)

Stanley Authorized Manager (Sign)

Title

Date

Stanley Authorized Manager (Print)

Not Binding on SCSS without either Authorized Management Approval Signature or SCSS Begins the Installation or Services

Billing Addresses:	Installation Invoices	Recurring Services Invoices	Time & Material Invoices
Street Address:	9 East 71st Street		
City	New York		
State/Providence	NY		
Country			
Zip/Postal Code	10022		
Attention	Richard Barnett		
Billing Contact	Richard Barnett		
Billing Phone			
Billing ID			
Special Handling Required	N	N	N
Notes for Special Handling			
PO #			

License Information: AL 12-888; 12-847; 12-1322; 12-1278; A-0333; A-0331; AR E2010 0017; Regulated by Arkansas Bd of Private Investigators and Private Security Agencies, #1 State Police Plaza Dr, Little Rock, AR 72209 501-618-8600 AZ ROC204975; CA ACO6055; 848019; C7; C10; Alarm company operators are licensed and regulated by the Bureau of Security & Investigative Services, Dept. of Consumer Affairs, Sacramento, CA 95814; DE FAL-0001; 04-158; FL EF20000495; EF0001117; EF20000512; EF0000772; GA LVU406586; KY 338; IL 127.001274; 124.000430; LA F875; F1162; F1277; MA 3519 C; MD 107-1717; Maryland State Police, Licensing Division, 1111 Reisterstown Rd, Pikesville, MD 21208; MI 5103306; 3601205772; MN TS01238; MS 19207-SC; MT FPL-BEL-000132; NV 0071024; F400; F401; NY 12000293169; NJ 34BF00017200; NC 2185-CSA; 25055-SP-LV; OH 53-89-1512; OK 953; OR 161567; SC BAC5501; FAC 3387 Fire; TN 1446; 1461; 1540; 1448; 1180; 1650; 1446; 65528; TX ACR2639; B02140; ECR-1821; UT 5704068-6501; VA 11-5481; 2705-087235A; Commonwealth of Virginia, Dept of Criminal Justice Services, 805 East Broad Street, 9th FL., Richmond, VA 23219; WA STANLCS925M2; WY LV-G-23879 CANADA (Quebec) RBQ 2729-5609-6-51 REV (2013.02.15)