

VERMILLION SYSTEMS, INC.  
603 Roosevelt Road  
Walkerton, IN 46574  
(574) 586-9341

STANDARD COMMERCIAL SECURITY AGREEMENT

Date: \_\_\_\_\_

Subscriber's Name: Munster Police Department

Telephone No.: \_\_\_\_\_

Address: 1001 Ridge Road Munster, IN 46321

Cell Phone No.: \_\_\_\_\_

1. VERMILLION SYSTEMS, INC. (hereinafter referred to as "VERMILLION" or "ALARM COMPANY") agrees to sell, install and program, at Subscriber's premises, and Subscriber agrees to buy, an electronic security system consisting of the equipment and services described in the **attached Schedule of Equipment and Services**.

Purchase Price: \$ 49,939.43 Approximate date work to begin \_\_\_\_\_  
Taxes: \$ 0.00 Estimated date work to be substantially completed \_\_\_\_\_  
Total: \$ 49,939.43  
Down Payment: \$ 0.00  
Balance due upon completion of installation: \$ 49,939.43

2. **DESCRIPTION OF EQUIPMENT AND SERVICES:**

Check Services Provided:

- ☐ Monitoring ☒ Service ☐ Inspection ☐ Remote Subscriber Access/Cameras ☐ Access Control Administration  
☐ Alarm Signal Verification ☐ Guard Response ☐ Other: (See Attached Schedule of Equipment and Services.)

3. **PASSCODE TO CPU SOFTWARE REMAINS PROPERTY OF VERMILLION:** Provided Subscriber performs this agreement for the full term thereof, upon termination VERMILLION shall at its option provide to Subscriber the passcode to the CPU software or change the passcode to the manufacturer's default code. Software programmed by VERMILLION is the intellectual property of VERMILLION and any unauthorized use of same, including derivative works, is strictly prohibited and may violate Federal Copyright laws, Title 17 of the United States Code, and may subject violator to civil and criminal penalties. The Equipment shall remain personal property and shall not be considered a fixture, or an addition to, alteration, conversion, improvement, modernization, remodeling, repair or replacement of any part of the realty, and Subscriber shall not permit the attachment thereto of any apparatus not furnished by VERMILLION. VERMILLION's signs and decals remain the property of VERMILLION and must be removed upon termination of this agreement.

**CHECK BOX FOR APPROPRIATE SERVICES:**

4. **SERVICES AND CHARGES. Only services selected are included: All recurring charges are billed [select one option]:**

- ☐ Monthly ☐ Quarter Annually ☐ Semi Annually ☐ Annually In Advance

(a) **CENTRAL STATION MONITORING CHARGES:** Subscriber agrees to pay VERMILLION:

☐ (i) The sum of \$ \_\_\_\_\_, plus tax for the installation and programming of the communication software and communication devices if separate from the alarm panel if not already installed.

☐ (ii) The sum of \$ \_\_\_\_\_, plus tax, per month, payable in advance for the monitoring of the Security System for the term of this agreement commencing on the first day of the month next succeeding the date hereof, and continuing monthly thereafter, all payments being due on the first of the month.

☒ (b) **SERVICE (Strike out i or ii)**

☒ (i) Subscriber agrees to pay VERMILLION on a per call basis. If this agreement provides for service on a per call basis, Subscriber agrees to pay VERMILLION for all parts and labor at time of service. Subscriber is not obligated to call VERMILLION for per call service and VERMILLION is under no duty to provide service except its warranty service during warranty period. Service by anyone other than VERMILLION during warranty period relieves VERMILLION of any further obligations under the Limited Warranty. Initial here for per call service option \_\_\_\_\_

~~☐ (ii) Subscriber agrees to pay VERMILLION for service of the alarm equipment the sum of \$ \_\_\_\_\_ plus tax, per month, payable in advance for the term of this agreement, commencing the first day of the month next succeeding the date hereof, all payments being due on the first of the month.~~

☐ (c) **INSPECTION:** Subscriber agrees to pay VERMILLION \$ \_\_\_\_\_ plus tax, per month, payable in advance for the term of this agreement for inspection service. If this option is selected VERMILLION will make an annual inspection of the security system. Unless otherwise noted in the Schedule of Equipment and Services inspection service includes testing of all accessible components to insure proper working order. If UL Certified the inspection will comply with UL Requirements. VERMILLION will notify Subscriber 30 days in advance of inspection date, and it is Subscriber's responsibility to reschedule or permit access. Only one scheduled inspection is included. Testing at inspection insures only that components are in proper working order at time of inspection unless otherwise reported to Subscriber at time of inspection. Inspection does not include repair. If sprinkler alarm or other device monitoring water flow is inspected the inspection does not include inspection or testing of sufficiency of water supply, for which VERMILLION has no responsibility or liability.

☐ (d) **ALARM SIGNAL VERIFICATION:** Subscriber agrees to pay VERMILLION the sum of \$ \_\_\_\_\_ plus tax, per month, for the term of this agreement. If Subscriber selects Alarm Signal Verification as a service to be provided, or if Alarm Signal Verification is required by law, VERMILLION or its designated central office shall verify the alarm signal by electronic telephone communication, video verification or such other verification system deemed appropriate by VERMILLION or as required by local law and only verified alarm conditions shall be communicated to police or fire department.

☐ (e) **REMOTE SUBSCRIBER ACCESS / VIDEO STREAMING DATA [VSD] / CLOSED CIRCUIT TV [CCTV]:** Subscriber agrees to pay VERMILLION the sum of \$ \_\_\_\_\_ plus tax, per month for the term of this agreement. Select remote access / video services to be provided:

- ☐ Local DVR ☐ Central Station Remote Video Monitoring for Streaming Video Data  
☐ Video Clips Monitored Upon Alarm Activation Only ☐ Verification video clips ☐ Data Storage and Retrieval  
☐ Remote Access By Subscriber ☐ Other (describe): \_\_\_\_\_

☐ (f) **ACCESS CONTROL ADMINISTRATION SERVICES:** Subscriber agrees to pay VERMILLION the sum of \$ \_\_\_\_\_ plus tax, per month, for the term of this agreement. Select Access Control Administration services to be provided:

- ☐ Remote Access Administration ☐ On-site Administration ☐ Data Storage ☐ Data Backup

☐ (g) **GUARD RESPONSE:** Subscriber agrees to pay VERMILLION the sum of (select payment method) \$ \_\_\_\_\_ plus tax, per month for the term of this agreement (or \$ \_\_\_\_\_ plus tax per guard response).

5. **TERM OF AGREEMENT: RENEWAL:** The term of this agreement shall be for a period of ~~ten~~ years and shall automatically renew month to month thereafter under the same terms and conditions, unless either party gives written notice to the other by certified mail, return receipt requested, of their intention not to renew the agreement at least 30 days prior to the expiration of any term. After the expiration of one year from the date hereof VERMILLION shall be permitted from time to time to increase the monitoring charge by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase. VERMILLION may invoice Subscriber in advance monthly, quarterly, or annually at VERMILLION's option.

**6. CENTRAL OFFICE MONITORING SERVICES:** Upon receipt of a signal from Subscriber's alarm system, VERMILLION or its designee central office shall make every reasonable effort to notify Subscriber and the appropriate municipal police or fire department depending upon the type of signal received. Not all signals will require notification to the authorities and subscriber may obtain a written response policy from VERMILLION. No response shall be required for supervisory, loss of communication pathway, trouble or low battery signals. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to municipal police or fire departments are not monitored by personnel of VERMILLION or VERMILLION's designee central office and VERMILLION does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals which are transmitted over telephone lines, wire, air waves, internet, VOIP, radio or cellular, or other modes of communication pass through communication networks wholly beyond the control of VERMILLION and are not maintained by VERMILLION except VERMILLION may own the radio network, and VERMILLION shall not be responsible for any failure which prevents transmission signals from reaching the central office monitoring center or damages arising therefrom, or for data corruption, theft or viruses to Subscriber's computers if connected to the alarm communication equipment. Subscriber agrees to furnish VERMILLION with a written Call List of names and telephone numbers of those persons Subscriber wishes to receive notification of alarm signals. Unless otherwise provided in the Call List VERMILLION will make a reasonable effort to contact the first person reached or notified on the list either via telephone call, text or email message. No more than one call to the list shall be required and any form of notification provided for herein, including leaving a message on an answering machine, shall be deemed reasonable compliance with VERMILLION's notification obligation. All changes and revisions shall be supplied to VERMILLION in writing. Subscriber authorizes VERMILLION to access the control panel to input or delete data and programming. If the equipment contains video or listening devices permitting central office to monitor video or sound then upon receipt of an alarm signal central office shall monitor video or sound for so long as central office in its sole discretion deems appropriate to confirm an alarm condition. If Subscriber requests VERMILLION to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber shall pay VERMILLION \$90.00 for each such service. VERMILLION may, without prior notice, suspend or terminate its services, in central office's sole discretion, in event of Subscriber's default in performance of this agreement or in event central office facility or communication network is nonoperational or Subscriber's alarm system is sending excessive false alarms. Central office is authorized to record and maintain audio and video transmissions, data and communications, and shall be the exclusive owner of such property. All Subscriber information and data shall be maintained confidentially by VERMILLION.

**7. SERVICE:** Service pursuant to paragraph 4(b)(ii), includes all parts and labor, and VERMILLION shall service upon Subscriber's request the security system installed in Subscriber's premises between the hours of 9 a.m. and 5 p.m. Monday through Friday, within reasonable time after receiving notice from Subscriber that service is required, exclusive of Saturdays, Sundays and legal holidays. All repairs, replacement or alteration to the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life are not included in service and will be repaired or replaced at Subscriber's expense payable at time of service. No apparatus or device shall be attached to or connect with the security system as originally installed without VERMILLION's written consent.

**8. SUBSCRIBER REMOTE ACCESS:** If Remote Access is included in the Schedule of Equipment and Services to be installed and services provided by VERMILLION, the equipment will transmit data via Subscriber's high speed Internet, cellular or radio communication service from remote pendant supplied by VERMILLION or Subscriber's Internet or wireless connection device which is compatible with VERMILLION's remote services. VERMILLION will grant access to server permitting Subscriber to monitor the security system, access the system to arm, disarm and bypass zones on the system, view the remote video camera(s) and control other remote automation devices that may be installed. The remote services server is provided either by VERMILLION or a third party. VERMILLION shall install the camera(s) in a permissible legal location in Subscriber's premises to permit Subscriber viewing. VERMILLION shall have no responsibility for failure of data transmission, corruption or unauthorized access and shall not monitor or view the camera data. Electronic data may not be encrypted and wireless components of the alarm system may not meet Advanced Encryption Standard specifications for encryption of electronic data established by the US National Institute of Standards and Technology and VERMILLION shall have no liability for access to the alarm system by others.

**9. WIRELESS AND INTERNET ACCESS CAPABILITIES:** Subscriber is responsible for supplying high speed Internet access and or wireless services at Subscriber's premises. VERMILLION does not provide Internet service, maintain Internet connection, wireless access or communication pathways, computer, smart phone, electric current connection or supply, or in all cases the remote video server. In consideration of Subscriber making its monthly payments for remote access to the system VERMILLION will authorize Subscriber access. VERMILLION is not responsible for Subscriber's access to the Internet or any interruption of service or down time of remote access caused by loss of Internet service, radio or cellular or any other mode of communication used by Subscriber to access the system. Subscriber acknowledges that Subscriber's security system can be compromised if the codes or devices used for access are lost or accessed by others and VERMILLION shall have no liability for such third party unauthorized access. VERMILLION is not responsible for the security or privacy of any wireless network system or router. Wireless systems can be accessed by others, and it is the Subscriber's responsibility to secure access to the system with pass codes and lock out codes. VERMILLION is not responsible for access to wireless networks or devices that may not be supported by communication carriers and upgrades to subscriber's system will be at subscriber's expense.

**10. ACCESS CONTROL SYSTEM OPERATION AND LIMITATIONS:** If selected as a service to be provided and included in the Schedule of Equipment and Services, Access Control equipment shall be connected to a computer supplied by the Subscriber and connected to Subscriber's computer network. If data storage or backup is selected service VERMILLION or its designee shall store and /or backup data received from Subscriber's system for a period of one year. VERMILLION shall have no liability for data corruption or inability to retrieve data even if caused by VERMILLION's negligence. Subscriber's data shall be maintained confidential and shall be retrieved and released only to Subscriber or upon Subscriber's authorization or by legal process. Internet access is not provided by VERMILLION and VERMILLION has no responsibility for such access or IP address service. VERMILLION shall have no liability for unauthorized access to the system through the Internet or other communication networks or data corruption or loss for any reason whatsoever.

**11. (a) ACCESS CONTROL ADMINISTRATION:** If selected as a service to be provided VERMILLION will maintain the data base for the operation of the Access Control System. Subscriber will advise VERMILLION of all change in personnel and or changes access levels of authorization and restrictions, providing Access card serial numbers or biometric data and such information that Subscriber deems necessary to identify personnel. All communication by Subscriber to VERMILLION regarding personnel access must be in writing via email or fax to addresses designated by VERMILLION. VERMILLION shall have remote Internet access to the Subscriber's designated access control computer to program and make data base updates to the system. Subscriber is responsible for maintaining its computer and computer network and Internet access

**(b) AUDIO / VIDEO SYSTEM OPERATION AND LIMITATIONS:** If selected as a service to be provided and included in the Schedule of Equipment and Services, Video equipment is attached to a digital recorder computer and Subscriber shall not use the computer for any other purpose. Subscriber shall be permitted to access and make changes to the system's operation on site and over the internet. If data storage is selected service, VERMILLION shall store data received from Subscriber's system for one year. VERMILLION shall have no liability for data corruption or inability to retrieve data even if caused by VERMILLION's negligence. Subscriber's data shall be maintained confidential and shall be retrieved and released only to Subscriber or upon Subscriber's authorization or by legal process. Telephone or internet access is not provided by VERMILLION and VERMILLION has no responsibility for such access or IP address service. If system has remote access VERMILLION is not responsible for the security or privacy of any wireless network system or router, and it is the Subscriber's responsibility to secure access to the system with pass codes and lock outs. VERMILLION shall have no liability for unauthorized access to the system through the internet or other communication networks or data corruption or loss for any reason whatsoever. If audio or video devices are installed, Subscriber has been advised to independently ascertain that the audio or video devices are used lawfully. VERMILLION has made no representations and has provided no advice regarding the use of audio or video devices.

**12. STREAMING VIDEO DATA / CCTV / EXCESSIVE DATA USAGE:** If selected as a service to be provided and included in the Schedule of Equipment, upon receipt of a video signal the video system is designed to activate in the central station and record video data reception, upon which, VERMILLION or its designee central office, shall make every reasonable effort to notify Subscriber by email, text, or voice message and the appropriate municipal police or fire department. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to municipal police or fire departments or Subscriber's internal security stations are not monitored by personnel of VERMILLION or VERMILLION's designee central office and VERMILLION does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals which are transmitted through the internet, over telephone lines, wire, air waves, cellular, radio, internet, VOIP, or other modes of communication pass through communication networks wholly beyond the control of VERMILLION and are not maintained by VERMILLION, except VERMILLION may own the radio network, and VERMILLION shall not be responsible for any failure which prevents transmission signals from reaching the central office monitoring center or damages arising therefrom, or for data corruption, theft or viruses to Subscriber's computers if connected to the alarm communication equipment. Subscriber agrees to furnish VERMILLION with a written list of names and telephone numbers of those persons Subscriber wishes to receive notification of signals. All changes and revisions shall be supplied to VERMILLION in writing. Subscriber authorizes VERMILLION to access the supervisory panel to input or delete data and programming. If Subscriber requests VERMILLION to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber shall pay VERMILLION \$75.00 for each such service. VERMILLION may, without prior notice, suspend or terminate its services, in central station's sole discretion, in event of Subscriber's default in performance of this agreement or in event central station facility or communication network is nonoperational or Subscriber's alarm system is sending excessive false alarms. Central station is authorized to record and maintain audio and video transmissions, data and communications, and shall be the exclusive owner of such property. VERMILLION shall have no liability for excessive data usage expense incurred by Subscriber attributable to the equipment or services provided herein. All Subscriber information and data shall be maintained confidentially by VERMILLION.

**13. GUARD RESPONSE:** If guard response is specified as a service to be provided, upon receipt of an alarm signal, VERMILLION or its subcontractor shall as soon as may be practical send one or more of its guards to the Subscriber's premises. Unless guard determines that the alarm is a false alarm and that no situation requiring police or fire department services exist, the guard shall notify the central station or police or fire department directly that an emergency situation exists and wait up to 15 minutes for the municipal police or fire department personnel or Subscriber to arrive at the premises and if permitted by the police shall assist in making a search of the premises to determine the cause of the alarm condition. If provided with keys to the premises the guard shall endeavor to secure the premises and repair the security equipment. However, Subscriber acknowledges that the guard is not required to enter the premises or to

render any service to the security equipment and shall not be required to remain stationed at Subscriber's premises for more than 15 minutes after initial arrival. Subscriber authorizes the guard to take such action the guard deems necessary to secure the premises and reset the alarm, though Subscriber acknowledges that the guard may not be able to or may not have sufficient time to secure the premises or reset the alarm and put same in working order. If Subscriber requests VERMILLION to station its guard at the premises for more than 30 minutes, and VERMILLION has sufficient personnel to provide such service, and VERMILLION makes no such representation that its personnel will be available, then Subscriber agrees to pay VERMILLION \$65.00 per half hour plus tax for such service. Subscriber agrees to confirm the request to VERMILLION to provide extended guard service by email, text or recorded conversation to VERMILLION at the time request is made and VERMILLION is authorized to ignore any request not confirmed within 15 minutes.

**LIMITED WARRANTY ON SALE**

14. In the event that any part of the security system becomes defective, or in the event that any repairs are required, VERMILLION agrees to make all repairs and replacement of parts without costs to the Subscriber for a period of ninety (90) days from the date of installation. VERMILLION reserves the option to either replace or repair the alarm equipment, and reserves the right to substitute materials of equal quality at time of replacement, or to use reconditioned parts in fulfillment of this warranty. This warranty does not include batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life. VERMILLION is not the manufacturer of the equipment and other than VERMILLION's limited warranty Subscriber agrees to look exclusively to the manufacturer of the equipment for repairs under its warranty coverage if any. Except as set forth in this agreement, VERMILLION makes no express warranties as to any matter whatsoever, including, without limitation, the condition of the equipment, its merchantability, or its fitness for any particular purpose. VERMILLION does not represent nor warrant that the security system may not be compromised or circumvented, or that the system will prevent any loss by burglary, hold-up, or otherwise; or that the system will in all cases provide the protection for which it is installed. VERMILLION expressly disclaims any implied warranties, including implied warranties of merchantability or fitness for a particular purpose. The warranty does not cover any damage to material or equipment caused by accident, misuse, attempted or unauthorized repair service, modification, or improper installation by anyone other than VERMILLION. VERMILLION shall not be liable for consequential damages. Subscriber acknowledges that any affirmation of fact or promise made by VERMILLION shall not be deemed to create an express warranty unless included in this agreement in writing; that Subscriber is not relying on VERMILLION's skill or judgment in selecting or furnishing a system suitable for any particular purpose and that there are no warranties which extend beyond those on the face of this agreement, and that VERMILLION has offered additional and more sophisticated equipment for an additional charge which Subscriber has declined. Subscriber's exclusive remedy for VERMILLION's breach of this agreement or negligence to any degree under this agreement is to require VERMILLION to repair or replace, at VERMILLION's option, any equipment which is non-operational. This Limited Warranty is independent of and in addition to service contracted under paragraph 4(b)(ii) of this agreement. This Limited Warranty gives you specific legal rights and you may also have other rights which vary from state to state. If required by law, VERMILLION will procure all permits required by local law and will provide certificate of workman's compensation prior to starting work.

**GENERAL PROVISIONS**

15. **DELAY IN DELIVERY / INSTALLATION / RISK OF LOSS OF MATERIAL:** VERMILLION shall not be liable for any damage or loss sustained by Subscriber as a result of delay in delivery and/or installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of God, or other causes, including VERMILLION's negligence or failure to perform any obligation. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence. In the event the work is delayed through no fault of VERMILLION, VERMILLION shall have such additional time for performance as may be reasonably necessary under the circumstances. Subscriber agrees to pay VERMILLION the sum of \$1,000 per day for each business day the work is re-scheduled or delayed by Subscriber or others engaged by Subscriber through no fault of VERMILLION on less than 24 hour notice to VERMILLION. If installation is delayed for more than one year from date hereof by Subscriber or other contractors engaged by Subscriber and through no fault of VERMILLION, Subscriber agrees to pay an additional 5% of the contract Purchase Price upon installation. Subscriber assumes all risk of loss of material once delivered to the job site.

16. **TESTING OF SECURITY SYSTEM:** Security System, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to test the operation of the Security System and to notify VERMILLION if it is in need of repair. Service if provided is pursuant to paragraph 4.

17. **CARE AND SERVICE OF SECURITY SYSTEM:** Subscriber agrees not to tamper with, remove or otherwise interfere with the Security System which shall remain in the same location as installed. All repairs, replacement or alteration to the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life, are not included in warranty or service under paragraph 4(b) (ii) and will be repaired or replaced at Subscriber's expense. No apparatus or device shall be attached to or connect with the security system as originally installed without VERMILLION's written consent.

18. **ALTERATION OF PREMISES FOR INSTALLATION:** VERMILLION is authorized to make preparations such as drilling holes, driving nails, making attachments or doing any other thing necessary in VERMILLION's sole discretion for the installation and service of the security system, and VERMILLION shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the security system, and Subscriber represents that the owner of the premises, if other than Subscriber, authorizes the installation of the security system under the terms of this agreement.

19. **SUBSCRIBER'S DUTY TO SUPPLY ELECTRIC AND TELEPHONE SERVICE:** Subscriber agrees to furnish, at Subscriber's expense, all 110 Volt AC power, electrical outlet, ARC Type circuit breaker and dedicated receptacle, Internet connection, high speed broadband cable or DSL and IP Address, telephone hook-ups, RJ31x Block or equivalent, as deemed necessary by VERMILLION.

20. **LIEN LAW:** VERMILLION or any subcontractor engaged by VERMILLION to perform the work or furnish material who is not paid may have a claim against purchaser or the owner of the premises if other than the purchaser which may be enforced against the property in accordance with the applicable lien laws.

~~21. **INDEMNITY / WAIVER OF SUBROGATION RIGHTS / ASSIGNMENTS:** Subscriber agrees to indemnify and hold harmless VERMILLION, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third-parties or by Subscriber, including reasonable attorneys' fees and losses, asserted against and alleged to be caused by VERMILLION's performance, negligence or failure to perform any obligation under this agreement. Parties agree that there are no third party beneficiaries of this agreement. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against VERMILLION or VERMILLION's subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this agreement without written consent of VERMILLION. VERMILLION shall have the right to assign this agreement and shall be relieved of any obligations herein upon such assignment.~~

22. **EXCULPATORY CLAUSE:** VERMILLION and Subscriber agree that VERMILLION is not an insurer and no insurance coverage is offered herein. The security equipment and VERMILLION's services are designed to reduce certain risks of loss, though VERMILLION does not guarantee that no loss will occur. VERMILLION is not assuming liability, and, therefore, shall not be liable to Subscriber for any loss, data corruption or inability to retrieve data, personal injury or property damage sustained by Subscriber as a result of intrusion, burglary, theft, hold-up, fire, equipment failure, smoke, or any other cause whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by VERMILLION's negligent performance to any degree in furtherance of this agreement, any extra contractual or legal duty, strict products liability, or negligent failure to perform any obligation pursuant to this agreement or any other legal duty. In the event of any loss or injury to any person or property, Subscriber agrees to look exclusively to Subscriber's insurer to recover damages. Subscriber releases VERMILLION from any claims for contribution, indemnity or subrogation.

23. **INSURANCE:** The Subscriber shall maintain a policy of public liability, property damage, burglary and theft insurance under which VERMILLION is named as additional insured. VERMILLION shall not be responsible for any portion of any loss or damage which is recovered or recoverable by the Subscriber from insurance covering such loss or damage or for such loss or damage against which the Subscriber is indemnified or insured. In the event of any loss or injury to any person or property, Subscriber agrees to look exclusively to Subscriber's insurer to recover damages. Subscriber shall obtain insurance to cover any loss the security services are intended to detect to one hundred percent of the insurable value, and Subscriber and all those claiming rights under Subscriber waive all rights against VERMILLION and its subcontractors for loss or damages caused by burglary, theft, water, smoke, fire or other perils intended to be detected by the security services or covered by insurance to be obtained by Subscriber, except such rights as they may have to the proceeds of insurance.

~~24. **LIMITATION OF LIABILITY:** Subscriber agrees that should there arise any liability on the part of VERMILLION as a result of VERMILLION's negligence, performance to any degree or negligent failure to perform any of VERMILLION's obligations pursuant to this agreement or any other legal duty, equipment failure, or strict products liability, that VERMILLION's liability shall be limited to the sum of \$250.00 or 5% of the sales price or 6 times the aggregate of monthly payments for services being provided at time of loss, whichever is greater. If Subscriber wishes to increase VERMILLION's amount of limitation of liability, Subscriber may, as a matter of right, at any time, by entering into a supplemental agreement, obtain a higher limit by paying an annual payment consonant with VERMILLION's increased liability. This shall not be construed as insurance coverage.~~

25. **LEGAL ACTION:** The parties agree that due to the nature of the services to be provided by VERMILLION, the monthly or other periodic payments to be made by the Subscriber for the term of this agreement form an integral part of VERMILLION's anticipated profits; that in the event of Subscriber's default it would be difficult if not impossible to fix VERMILLION's actual damages. Therefore, in the event Subscriber defaults in the payment or any charges to be paid to VERMILLION, the balance of all payments for the entire term herein shall immediately become due and payable, and Subscriber shall be liable for 80% thereof as liquidated damages and VERMILLION shall be permitted to terminate all its services, including but not limited to terminating monitoring service, under this agreement and to remotely re-program or delete any programming without relieving Subscriber of any obligation herein.

If VERMILLION prevails in any litigation or arbitration between the parties, Subscriber shall pay VERMILLION's legal fees. In any action commenced by VERMILLION against Subscriber, Subscriber shall not be permitted to interpose any counterclaim. The parties agree that they may bring claims against the other only in their individual capacity and not as a class action plaintiff or class action member in any purported class or representative proceeding. Subject to Subscriber's right to bring any claim against VERMILLION for up to \$1,000 in small claims court having jurisdiction, any dispute between the parties or arising out of this agreement, including issues of arbitrability, shall, at the option of any party, be determined by arbitration before a single arbitrator administered by Arbitration Services Inc., under its Arbitration Rules [www.ArbitrationServicesInc.com](http://www.ArbitrationServicesInc.com), except that no punitive damages may be awarded. Service of process or papers in any legal proceeding or arbitration between the parties may be made by First-Class Mail delivered by the U.S. Postal Service addressed to the party's address in this agreement or another address provided by the party in writing to the party making service. Subscriber submits to the jurisdiction and laws of Indiana and agrees that any litigation or arbitration between the parties must be commenced and maintained in the county where VERMILLION's principal place of business is located. The parties waive trial by jury in any action between them unless prohibited by law. Any action by Subscriber against VERMILLION must be commenced within one year of the accrual of the cause of action or shall be barred. All actions or proceedings against VERMILLION must be based on the provisions of this agreement. Any other action that Subscriber may have or bring against VERMILLION in respect to other services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement, and this consent to arbitrate shall survive the termination of this agreement.

**26. VERMILLION'S RIGHT TO SUBCONTRACT SPECIAL SERVICES:** Subscriber agrees that VERMILLION is authorized and permitted to subcontract any services to be provided by VERMILLION to third parties who may be independent of VERMILLION, and that VERMILLION shall not be liable for any loss or damage sustained by Subscriber by reason of fire, theft, burglary or any other cause whatsoever caused by the negligence of third parties. Subscriber appoints VERMILLION to act as Subscriber's agent with respect to such third parties, except that VERMILLION shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to VERMILLION's disclaimer of warranties, exemption from liability, even for its negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignees, subcontractors, manufacturers, vendors and central offices of VERMILLION.

**27. MOLD, OBSTACLES AND HAZARDOUS CONDITIONS:** Subscriber shall notify VERMILLION in writing of any undisclosed, concealed or hidden conditions in any area where installation is planned, and Subscriber is responsible for removal of such conditions. In the event VERMILLION discovers the presence of suspected asbestos or other hazardous material, VERMILLION shall stop all work immediately and notify Subscriber. It shall be Subscriber's sole obligation to remove such conditions from the premises, and if the work is delayed due to the discovery of suspected asbestos or other hazardous material or conditions then an extension of time to perform the work shall be allowed and Subscriber agrees to compensate VERMILLION for any additional expenses caused by the delay but not less than \$1000.00 per day until work can resume. If VERMILLION, in its sole discretion, determines that continuing the work poses a risk to VERMILLION or its employees or agents, VERMILLION may elect to terminate this agreement on 3 day notice to Subscriber and Subscriber shall compensate VERMILLION for all services rendered and material provided to date of termination. VERMILLION shall be entitled to remove all its equipment and uninstalled equipment and material from the job site. Under no circumstances shall VERMILLION be liable to Subscriber for any damage caused by mold or hazardous conditions or remediation thereof.

**28. NON-SOLICITATION:** Subscriber agrees that it will not solicit for employment for itself, or any other entity, or employ, in any capacity, any employee of VERMILLION assigned by VERMILLION to perform any service for or on behalf of Subscriber for a period of two years after VERMILLION has completed providing service to Subscriber. In the event of Subscriber's violation of this provision, in addition to injunctive relief, VERMILLION shall recover from Subscriber an amount equal to such employee's salary based upon the average three months preceding employee's termination of employment with VERMILLION, times twelve, together with VERMILLION's counsel and expert witness fees.

**29. NON-DISPARAGEMENT:** Neither party to this agreement shall publish or communicate on any written or electronic forum or social media any disparaging comment, negative review, recommendation, evaluation, or report of the other unless required by law. Because a violation of this provision would result in damages that may be difficult to prove, the parties agree that a party violating this provision shall be liable for damages in the amount of \$10,000.00 as and for liquidated damages and not as a penalty, and no actual damages need to be proved. Additionally, a party to this agreement required to commence any lawsuit or arbitration to enforce this provision shall be entitled to injunctive relief and its legal fees.

**30. FALSE ALARMS / PERMIT FEES:** Subscriber is responsible for all alarm permits and fees, agrees to file for and maintain any permits required by applicable law and indemnify or reimburse VERMILLION for any fines relating to permits or false alarms. VERMILLION shall have no liability for permit fees, false alarms, false alarm fines, police or fire response, any damage to personal or real property or personal injury caused by police or fire department response to alarm, whether false alarm or otherwise, or the refusal of the police or fire department to respond. In the event of termination of police or fire response by the municipal police or fire department this agreement shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. Should VERMILLION be required by existing or hereafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay VERMILLION for such service or material.

**31. SECURITY INTEREST / COLLATERAL:** To secure Subscriber's obligations under this agreement Subscriber grants VERMILLION a security interest in the security equipment installed by VERMILLION and VERMILLION is authorized to file a financing statement.

**32. CREDIT INVESTIGATION:** Subscriber and any guarantor authorize VERMILLION to conduct credit investigations from time to time to determine Subscriber's and guarantor's credit worthiness.

**33. FULL AGREEMENT / SEVERABILITY:** This agreement along with the Schedule of Equipment and Services constitutes the full understanding of the parties and may not be amended, modified or canceled, except in writing signed by both parties, except VERMILLION's requirements regarding items of protection provided for in this agreement imposed by Authority Having Jurisdiction. Subscriber acknowledges and represents that Subscriber has not relied on any representation, assertion, guarantee, warranty, collateral agreement or other assurance, except those set forth in this Agreement. Subscriber hereby waives all rights and remedies, at law or in equity, arising, or which may arise, as the result of Subscriber's reliance on such representation, assertion, guarantee, warranty, collateral agreement or other assurance. To the extent this agreement is inconsistent with any other document, agreement, purchase order or understanding between the parties, the terms of this agreement shall govern. Should any provision of this agreement be deemed void, the remaining parts shall not be effected.

**SUBSCRIBER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY  
OF THIS 4 PAGE AGREEMENT AND SCHEDULE OF EQUIPMENT AND SERVICES AT TIME OF EXECUTION.**

**VERMILLION SYSTEMS, INC.:**

**SUBSCRIBER:**

By: \_\_\_\_\_

Subscriber: Signature by Authorized Officer Title of Person Signing

Subscriber agrees to have its credit card automatically charged for all charges under this agreement.

Print Name of Subscriber

Subscriber: Signature by Authorized Officer

Tax ID or EIN

Title of Person Signing

Credit Card #: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_ Security Code: \_\_\_\_\_  
☐ Mastercard ☐ Visa ☐ American Express  
Cardholder's Name (As it appears on credit card)

The undersigned personally guarantees Subscriber's performance of this agreement and agrees to be bound by all terms as a party herein.

Signature (Name Must Be Printed Below) SS#

Billing Address: \_\_\_\_\_

Print Name Residence Address

Subscriber's Email Address: \_\_\_\_\_



**VERMILLION SYSTEMS, INC.**  
**603 Roosevelt Road**  
**Walkerton, IN 46574**  
**(574) 586-9341**

## ADDITIONAL EQUIPMENT, SYSTEMS AND SERVICE DISCLAIMER NOTICE

The undersigned acknowledges that a representative of VERMILLION SYSTEMS, INC. (hereinafter referred to as "VERMILLION" or "ALARM COMPANY") has explained additional equipment, systems and protection that may be available from VERMILLION, for additional charges, and the undersigned has had sufficient opportunity to consider the additional services that may be available, and has decided not to request or contract for such additional equipment, systems or protection. The additional equipment, systems and protection discussed included but was not limited to the following:

- |   |   |  |   |
|---|---|--|---|
| <ul style="list-style-type: none"> <li>● hard wire systems</li> <li>● wireless systems</li> <li>● additional contacts</li> <li>● motion detectors</li> <li>● audio surveillance</li> <li>● video surveillance</li> <li>● guard response</li> <li>● stationary guards</li> </ul> | <ul style="list-style-type: none"> <li>● UL, ETL or other nationally recognized testing lab approved installation</li> <li>● UL, ETL or other nationally recognized testing lab approved monitoring</li> <li>● sprinkler / fire alarm</li> <li>● electrical surge protection</li> </ul> | <ul style="list-style-type: none"> <li>● data storage and retrieval</li> <li>● access control</li> <li>● fire, smoke, carbon monoxide, water, heat, temperature</li> <li>● roof, attic walls, exterior</li> <li>● independent secondary systems</li> </ul> | <ul style="list-style-type: none"> <li>● video monitoring</li> <li>● cellular/ radio backup</li> <li>● latest technology</li> <li>● dedicated telephone line communication</li> </ul> |
|---|---|--|---|

The undersigned acknowledges that:

- Not all of the above services are available or offered by VERMILLION but the services and equipment were brought to the undersigned's attention and the undersigned declined such services or the opportunity to obtain the services from other security companies.
- That VERMILLION explained the difference between VOIP and standard telephone line service and that VERMILLION recommends use of standard telephone line service and communication since VOIP [voice over internet service] may be less reliable service. The undersigned acknowledges that if VOIP is used it is at the undersigned's sole risk. Some telephone service depends on electrical service and VERMILLION is not responsible for such service.
- That VERMILLION is not responsible for the security or privacy of any wireless network system or router and that wireless systems can be accessed by others and it is the Subscriber's responsibility to secure access to the system with pass codes and lock outs.
- That VERMILLION has advised undersigned of any permits required for the alarm system and monitoring, and undersigned acknowledges that it is undersigned's responsibility to obtain and maintain all required permits and pay any false alarm or other fines related to the alarm systems or service.
- That smoke detectors and other battery operated devices must be checked monthly and batteries replaced at least annually and that the undersigned is responsible to check and replace batteries.
- That VERMILLION has explained all components, operation and use of the alarm system to the undersigned's satisfaction, and
- That if audio or video devices are installed, subscriber has been advised to independently ascertain that the audio or video devices are used lawfully. VERMILLION has made no representations and has provided no advice regarding the use of audio or video devices.

If VERMILLION is taking over this system installed by anyone other than VERMILLION:

- ☐ Subscriber declines inspection of existing system installed by others and assumes all risk and conditions of the system and has only requested VERMILLION to re-program communication and monitor existing system with no repair obligation. VERMILLION has inspected the security and or fire alarm system, reported non-operational components, and:
- ☐ Subscriber declines to authorize repairs and assumes all risk for existing system.
- ☒ Subscriber authorizes and agrees to pay for repairs which shall be detailed in the Sale or Service Agreement.

DEFICIENCIES (continue on additional page, if needed):

[illegible]

ADDITIONAL COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Subscriber's Signature \_\_\_\_\_

Subscriber's Signature \_\_\_\_\_

Subscriber Print Name \_\_\_\_\_

Subscriber Print Name \_\_\_\_\_

**VERMILLION SYSTEMS, INC.**  
**603 Roosevelt Road**  
**Walkerton, IN 46574**  
**(574) 586-9341**

**SCHEDULE OF EQUIPMENT AND SERVICES**

Describe Equipment (Model #):

See attached Estimate # 840

Describe Services:

**VERMILLION SYSTEMS, INC.:**

By: \_\_\_\_\_  
Signature

**SUBSCRIBER:**

\_\_\_\_\_  
Signature by Authorized Officer (Name must be printed below)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title



**Vermillion Systems, Inc.**  
Security Solutions  
**603 Roosevelt Road**  
**Walkerton, IN 46574**

www.vermillionsystems.com  
Phone: 574-586-9341

**QUOTE No. 840**  
**Account No.**

Munster Police Department  
1001 Ridge Road  
Munster, IN 46321  
djohnston@munster.org

**Site:** Munster Police Department

**Salesperson:** Bob S.  
bob@vermillion-systems.com

**Date:** 04/17/2023

**- Avigilon Video Surveillance**

Part #	Item	Qty	Unit Price	Total
AINVR-PRM-PLUS-96TB-NA	AI NVR Premium+; 96TB; NA	1.00	\$42,782.02	\$42,782.02
AINVR-SFPPLUS-SR	SFP+ 10GBASE-SR Optical Transceiver (single) for AI NVR	1.00	\$340.26	\$340.26
ACC7-ENT	ACC 7 Enterprise camera channel	45.00	\$316.51	\$14,242.95
ACC7-VAC	ACC7 Video Analytics channel	10.00	\$327.42	\$3,274.20
	Installation Labor including travel time			\$1,800.00
			<b>Discount</b>	\$-12,500.00
			<b>Subtotal</b>	\$49,939.43

-Install Avigilon Premium Server. Estimated record time is 30 days. A more accurate record time to be determined based on existing camera information.

-9 hours of video analytic training is included.

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<b>Subtotal excluding Tax</b>	\$49,939.43
<b>Tax</b>	\$0.00
<b>Total including Tax</b>	\$49,939.43

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**Vermillion Systems, Inc.**

Security Solutions

**603 Roosevelt Road  
Walkerton, IN 46574**

www.vermillionsystems.com

Phone: 574-586-9341

**QUOTE No. 840**

**Account No.**

#### TERMS & CONDITIONS

- All recurring charge amounts are based on enrollment in our online auto-invoice program.
- Special finance programs available with our bank partner. Contact us for more information.
- 50% down payment due at time of sales agreement execution. 50% due at completion of project.
- Permits, licenses, bonds, and additional insurance certificates are not included unless otherwise stated.
- Quotation is valid for 30 days.
- If credit has been approved, payment terms are net 30 days from date of invoice. Accounts past due are subject to finance charges, credit hold on pending and future orders, lien filings, and additional costs for any litigation and attorney fees.
- We accept ACH, check, and credit card for payment. If paying by credit card, a 3% credit card processing fee will be added to the amount being charged.
- Warranty is 90 days for labor plus manufacturer's warranty for equipment where applicable. No special warranties beyond.
- Only the materials and labor described in this quotation are being provided. Any additional materials or labor that are necessary due to unknown or unforeseen circumstances will be submitted as a change order to this quotation. Additional work related to a change order will be scheduled at the next available time. If any existing equipment is to be reused, additional fees will apply if repair or replacement is required.
- Repair of new or existing fire alarm ground faults are not included in this quotation unless specifically stated within.