

hatrix

hatrix DEALER SERVICES AGREEMENT

THIS AGREEMENT made the _____ day of _____, 20 ____, between "MSP"
_____, a body corporate duly incorporated pursuant to the laws of
"_____" USA" (hereinafter referred to as "MSP") and

_____ (herein after referred to as the
"Dealer") of:

Street: _____ City: _____

Province/State: _____ Postal/ZIP Code: _____ Country: _____

Phone: _____ Fax: _____

Cellular: _____

E-Mail Address: _____

WHEREAS:

A. The Dealer is in the business of supplying, installing and maintaining Kantech access control systems for various commercial, industrial, government and other users (hereinafter referred to as "Subscriber(s)"; and

B. MSP is in the business of providing Hosted, Hybrid and/or Managed services for Kantech access control systems through Kantech's hatrix program.

NOW THEREFORE IN CONSIDERATION of the foregoing, the mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

1. During the term of this Agreement, the Dealer shall retain MSP to provide Hosting and/or Managed services for Subscribers of the Company during the term of this Agreement, said term being one year.

2. THE ADDITIONAL TERMS AND CONDITIONS ATTACHED HERETO AS APPENDIX "A", and/or APPENDIX "B" FORM PART OF THIS AGREEMENT. The Dealer acknowledges having read these attached terms and conditions and understands and agrees to be bound by all of the terms and conditions set forth herein.

MSP Initials _____ Dealer Initials _____

ACCEPTED AND AGREED TO BY MSP _____ ACCEPTED AND AGREED TO BY DEALER _____

Per: _____ Per: _____
Signature of MSP Signature of Authorized Signing Officer (Dealer)

Name: _____ Name: _____
(Please print) (Please print)

Date: _____ Date: _____

APPENDIX "A"

Appointment of MSP as Remote Managed Services Agency

1. The Dealer hereby appoints MSP, and MSP agrees to serve as the Dealer's Remote Managed Services agency for certain Subscribers of the Dealer in respect of Kantech access control systems installed at Subscribers' premises, all in accordance with the terms set out hereinafter expressed. As the Remote Managed Services agency, MSP agrees to deliver Remote Managed Services as hereinafter described. MSP's obligation to provide the Remote Managed Services required shall terminate upon the termination of this Agreement.

Representations and Obligations of the Dealer Regarding Kantech access control systems Managed by MSP

2. Notwithstanding the effective date of this Agreement, MSP's obligation to provide Remote Managed Services to a Subscriber shall not commence until:

a) The Dealer provides to MSP in writing or via facsimile or electronic mail, adequate and correct information about the Subscriber and the Kantech access control system of each Subscriber as required by MSP; and

b) The Dealer has fully tested, acceptable to MSP, the functionality of all Kantech installed equipment and door hardware.

3. The Dealer hereby represents and warrants that, for each Subscriber whose security alarm system is to be monitored by MSP under this Agreement, the Dealer has on file a completed and signed Remote Managed Services Agreement in a form acceptable to MSP. A copy of said Remote Managed Services Agreement should be forwarded to MSP, including any amendments made from time to time. Such Remote Managed Services Agreement shall effectively limit the liability of the Dealer to a sum in the aggregate not to exceed the monthly Remote Managed Services fees charged to that Subscriber under such Remote Managed Services Agreement over the most recently and fully completed six (6) months, which sum shall be paid and received as liquidated damages by the subject Subscriber in full and complete satisfaction of any claim.

4. The Dealer hereby represents and warrants that it has inspected and/or installed the Kantech access control systems of all Subscribers for whom Remote Managed Services are to be provided by MSP under this Agreement, and represents and warrants that each system is in a good state of repair and was installed using quality material and workmanship.

5. The Dealer hereby agrees that it will do all things reasonably necessary to ensure the continued proper operation and functioning of each Subscriber's Kantech access control system. Further, the Dealer will advise MSP of any installation, service or other work which requires MSP to temporarily treat the Subscriber's access control system as being in a test, rather than active, mode. It is understood by both parties to this Agreement that the required notice to be provided by the Dealer must either be in writing or on the VRT (Voice Response Terminal) in accordance with MSP's procedures.

6. The Dealer hereby agrees that it is the responsibility of the Dealer to provide complete and accurate information to MSP regarding the Subscriber's access control system on an ongoing basis and to update MSP with respect to such information promptly following any change to such information. This includes all information of each Subscriber with respect to names and telephone numbers of customer representatives, local authorities and authorized keyholders and dispatch instructions.

MSP Initials _____ Dealer Initials _____

7. The Dealer hereby agrees to assign a unique passcode to each authorized Subscriber connected with the Kantech access control systems monitored under this Agreement and to advise each Subscriber of their passcode. The Dealer accepts full responsibility for any costs associated with or incurred due to incorrect account information.

8. In addition to the charges set out in Appendix "B", the Dealer shall pay any taxes, registration fees or other charges including all telephone and/or Internet Service Provider charges relating to the connection of the Subscriber's access control system to the Kantech server located at the MSP Operations Centre levied in respect of the Remote Managed Services provided to Subscribers by MSP pursuant to this Agreement, whether presently in existence or subsequently imposed by any government body or agency.

9. The Dealer shall not use the name or trademarks of MSP in association with its Remote Managed Services, except as specifically authorized by MSP.

10. The Dealer hereby agrees that it will indemnify and hold harmless MSP, its affiliates and their respective shareholders, directors, officers, employees and agents, hatrix (hardware and software) manufacture from all claims, suits, actions, demands, losses, damages, expenses or cost resulting from a) a breach of this Agreement by the Dealer and b) any claims, lawsuits and actions brought against the Dealer and/or MSP arising as a result of or in connection with this Agreement including, without limitation, as a result of the services provided by the Dealer to its Subscribers or the Remote Managed Services provided by MSP pursuant to this Agreement or the failure of either party to provide such services.

Obligations and Disclaimers of MSP

11. MSP's sole obligation under this Agreement and/or any agreement between the Dealer and the remote managed parties shall be to remotely manage the Subscriber's Kantech access control system as outlined in the Managed Services contract signed by the Dealer on behalf of the Dealer's Subscriber.

12. MSP is authorized to verify or attempt to verify any suspected unauthorized access to the Kantech server.

13. In the event that the Dealer or Subscriber elects to use an alternate security systems provider, MSP reserved the right to re-evaluate its contracted services with the Dealer.

14. MSP is not responsible for fines as a result of false alarms, and any suspension of police response due to false alarms shall not affect the obligations of the Dealer under this Agreement. In the event that MSP receives a false alarm fine, said fine will be billed to the Dealer and the Dealer hereby agrees to take responsibility for paying the fine.

15. The parties hereby agree that MSP shall not be liable for any loss or damage caused by defects or deficiencies in a Dealers access control system, or advanced as a result of a delay, actual or alleged, in the response time, or from the non-response of police, fire or other authorities, institutions or individuals notified by MSP.

16. The parties hereby agree that MSP shall not be liable for any loss or damage caused by the improper functioning or interruption of Remote Managed Services as a result of strike, riot, floods, fire, acts of God or other causes beyond the control of MSP, including the interruption or breakdown of telephone services or equipment that results in communication failure from the Subscriber's premises to the MSP Operations Centre, for any reason whatsoever.

17. The parties hereby agree that MSP is not an insurer for any party. The fees and other charges payable hereunder are based solely upon the value of services described herein and are unrelated to the value of the Subscriber's premises and property. It is not the intention of the parties hereto that MSP assume responsibility for any loss or damage pertaining to the Remote Managed Services provided under this Agreement, nor any liability by virtue of this Agreement or the relationships thereby established. Notwithstanding the foregoing, should there at any time be, or arise, any liability on the part of MSP by virtue of this Agreement or the relationships thereby established, whether due to the alleged negligence of MSP or otherwise, such liability shall be limited to a sum equal to the monthly Remote Managed Services fees charged by MSP in accordance with Appendix "B" for a Dealer over the most recently and fully completed six (6) month period, which sum shall be paid and received as liquidated damages in full and complete satisfaction of any claim.

18. MSP makes no warrants, express or implied, that the Remote Managed Services will avert, deter or prevent any loss from the actions or events which the Remote Managed Services may detect, and disclaims any such warranties, whether express or implied, which may arise from any source.

MSP Initials _____ Dealer Initials _____

Fees and Accounts

19. The Dealer hereby agrees to pay MSP monthly fees billed to the Dealer for Remote Managed Services and other services required to be provided by MSP at the rates set forth in the attached Appendix "B".

20. All monies due from the Dealer to MSP under this Agreement shall be payable within 30 days of receipt of invoice from MSP for managed services provided. MSP shall apply its ordinary billing procedures and terms of credit and collection to all billing completed under this Agreement to the Dealer.

21. Fees for Remote Managed Services will be billed in advance on the first day of the month. The first billing for a system placed on-line during a month will be pro-rated in the next month's billing.

22. If the Dealer fails to pay any monies when due, MSP may, at its sole discretion, in accordance with paragraph 20 hereof, give written notice of the date on which MSP will terminate this Agreement and/or Remote Managed Services provided hereunder if all amounts due and owing have not been paid.

23. Further, the parties agree that MSP may change or revise the charges set out in Appendix "B" at any time after nine (9) months from the date of this Agreement by giving written notice of such increase to the Dealer sixty (60) days in advance of such increase. The Dealer shall be deemed to have accepted such increase unless within thirty (30) days of delivery of such notice, the Dealer terminates the Agreement by sending written notice to MSP.

Specific Provisions

24. Termination of Subscriber's Remote Managed Services: In the event the Dealer wishes to terminate a Subscriber's Remote Managed Services, the Dealer will immediately advise MSP in writing of the date on which to cease accepting signals from the Subscriber's security alarm system. All accounts shall be considered active and subject to applicable Remote Managed Services charges as laid out in Appendix "B" of this Agreement until such time as the Dealer warrants to MSP that the access control system is no longer capable of sending signals to the Kantech hosted server. The inability of the Dealer to gain access to the Subscriber's premises to disable the Subscriber's alarm system shall not relieve the Dealer of its obligations under this Agreement.

25. Runaway Signals: In the event that MSP shall have identified that a Subscriber's access control system is producing excessive false or "runaway" signals, the Dealer will be notified of the situation. Any additional labour or equipment costs incurred as a result of a Subscriber's system producing excessive or "runaway" signals may be billed to the Dealer. MSP reserve the right to isolate and cease communication of any remote location in the event that location is interrupting the ability for MSP to conduct regular business.

26. Permits and Licenses: It is the responsibility of the Dealer to obtain any permits or licenses in connection to the Remote Managed Services of a Subscriber.

Interpretation and Administration

27. a) The effective date of this Agreement shall be the first date written above. The term of this Agreement shall automatically continue for further one (1) year periods following each successive anniversary date of the effective date unless otherwise terminated hereunder or unless terminated by either party (MSP, Dealer, or Subscriber) prior to a renewal by either party giving at least sixty (60) days written notice prior to the end of the relevant year, and specifying the date and time of termination.

b) In addition to the foregoing, forthwith upon the occurrence of any of the following events, the Dealer shall be deemed to be in default under this Agreement and MSP shall be entitled in its sole discretion to terminate this Agreement and all rights granted herein effective immediately without notice or prior opportunity to cure the default (unless otherwise noted herein):

(i) any default or breach by the Dealer or a representation or warranty or in its performance of its obligations under this Agreement or any other agreement with MSP, as such default may be determined by MSP in its sole discretion;

(ii) the Dealer declares or is petitioned into bankruptcy, makes any arrangement or assignment for the benefit of its creditors or seeks protection from its creditors pursuant to any legislation;

(iii) the Dealer or Subscriber wilfully or unintentionally neglects to properly maintain the Kantech in acceptable condition;

(iv) the Dealer transfers this Agreement or any rights hereunder to any person without the prior written consent of MSP; or

(v) the Dealer fails to pay any fees or amounts owed to MSP whether pursuant to this Agreement or otherwise and fails to cure such default or satisfy MSP that such default has been cured within fifteen (15) days after receiving notice from MSP to cure same.

28. The provisions of this Agreement shall be legally binding upon, and ensure to the benefit of MSP and the Dealer, and their respective successors and permitted assigns.

MSP Initials _____ Dealer Initials _____

29. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be but one and the same instrument.

30. If any term or condition of this Agreement is declared invalid, illegal or unenforceable, for any reason, such declaration shall not have the effect of invalidating or voiding the remainder of this Agreement and the parties hereto agree that the part or parts of this Agreement so held to be invalid, illegal, or unenforceable will be deemed to have been stricken wherefrom and the remainder hereof will have the same force and effectiveness as if such part or parts had never been included herein.

31. This Agreement shall be governed by the laws of the State of _____ and the parties specifically attorney to the jurisdiction of the courts of the state of _____ USA.

32. All notices, demands or other communications by the terms hereof required or permitted to be given by one party to another shall be communicated by personal delivery or registered mail to the respective addresses hereinafter set forth, or such other addresses which the parties may from time to time designate by written notice to each other as herein required. Any notice directed to MSP shall be addressed to MSP at:

MSP: _____

Any notice directed to the Dealer shall be addressed to the Dealer at the address supplied on the first page of this Agreement. Any such notice, demand or other communication shall be deemed to have been received by the party to whom it is addressed in the manner aforesaid on the same business day that it is delivered or three (3) business days after date of mailing by registered mail.

33. This Agreement may not be assigned by the Dealer but may be assigned by MSP.

34. Any amendments to this Agreement must be in writing, signed by both parties. No verbal discussions or agreements shall alter the provisions hereof.

35. This Agreement constitutes the entire agreement between the parties with respect to all of the matters herein and its execution has not been induced by, nor do any of the parties rely upon or regard as material, any representations or writings whatever not incorporated herein and made a part hereof, and may not be amended or modified in any respect except by written instrument signed by the parties hereto. Further, the parties agree that they have reviewed and understand the content of this Agreement and the appendices hereto and have had an opportunity to seek independent legal advice.

MSP Initials _____ Dealer Initials _____

APPENDIX "B"

MANAGED ACCESS CONTROL (HOSTED)

This option requires the Dealer to self-manage their hatrix system.

Subscriber web access	included
Add/remove & edit cards & cardholders by Company.....	included
One (1) card activity report	included
Annual Holiday Maintenance by Company.....	included
Unlimited lock/un-lock schedules, card-user lists, & maintenance by Company.....	included
Unlimited Card holders in system	included
Door Operations (lock & un-lock doors) by Company.....	included
Redundant System Server with auto roll-over	included
Off-site Data backup.....	included
HOSTED ACCESS FEE	\$10.00 per Reader per Month
Number of card readers	# _____ x \$10= _____
Initial Web Station Set up.....	\$ 125.00
TOTAL	\$ _____

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MSP MANAGED ACCESS CONTROL (MANAGED)

This option requires MSP to manage the hattrix system on behalf of the Dealer.

Add/remove & edit cards & cardholders by the MSP 24-hour Operations Center included
 Generate activity & card-list reports (Monthly, Quarterly, or Annually) included
 Automated (daily/weekly/monthly) email of reports included
 Automated real-time email notification of system events included
 Annual Statutory Holiday Maintenance by the MSP 24-hour Operations Center included
 Lock/Un-lock schedules & maintenance by the MSP 24-hour Operations Center included
 Emergency Lock & Unlock of Doors (up to 12 per year²) by the MSP 24-hour Operations Center..... included
 Photo-ID View, View card-holder images on-line. "Attach" JPG image files of your employees to cards included

MANAGED ACCESS FEE \$15.00 per Reader per Month

Pricing is based upon a maximum of up to 500 cardholders

Number of card readers # _____ x \$15 = _____

501 to 1,000 card holders is an additional \$x.xx per reader per month # _____ x \$1 = _____

1,000+ card holders, additional negotiated amount _____

Initial Web Station Set up.....\$ 125.00

TOTAL \$ _____

*Any additional work requested, or hardware needed, is in addition to the above quoted prices, unless otherwise agreed.
²Emergency lock and unlock of doors can only be requested by a pre-determined authorized person. Emergency lock/unlock is defined as a request made with less than 24 hours' notice. Additional emergency lock/unlock requests beyond 12 per calendar year are available at \$10.00 per request.

MSP Initials _____ Dealer Initials _____