

SOLARBEAM INTERNATIONAL, INC.

Dealer Agreement

Whereas Solarbeam International, Inc. a Florida corporation, with main offices located at 200 NE 2nd Drive, Homestead, Florida (hereinafter referred to as "SOLARBEAM") is desirous of establishing a factory authorized dealership presence in the geographical area described herein (the "Territory"); and whereas _____ (hereinafter referred to as "Dealer") with its main office located at _____, desires to become a non-exclusive factory authorized dealer of the Company for the specified Territory, the following terms are agreed upon:

A. APPOINTMENT OF DEALER

1. APPOINTMENT AND EQUIPMENT

- a. Solarbeam hereby grants to the Dealer, upon the terms and conditions set forth in this Agreement, the non-exclusive right to purchase Equipment listed on the Solarbeam current Dealer Price List (as amended from time to time) as established in this Agreement, provided, for Solarbeam™ Equipment, the Dealer has, or is obtaining, the Solarbeam™ Technical Certification to sell, install and service that Equipment.
- b. Equipment is herein defined to include those products listed on the Solarbeam™ current Dealer's Price List as such may be amended from time to time.
- c. "Non-Exclusive" as used herein means that Solarbeam reserves the right to market, distribute and sell Solarbeam™ products and services, directly or indirectly, within and outside of the Territory, and nothing in this Agreement shall limit in any manner Solarbeam's marketing or distribution activities, or its right to sell directly to or to appoint other dealers, distributors, licensees or agents within or outside the Territory to sell Solarbeam™ products and services. Similarly, Dealer reserves the right to market, distribute and sell, directly or indirectly, within or outside of the Territory, services that compete with Solarbeam™ products and services.

2. TERRITORY

The Dealer's area of primary responsibility with respect to the sale and service of the Equipment is referred to in this Agreement and the "Territory", and is intended to assure that the Dealer will be able to fully cover the Territory and provide adequate service with respect to the Equipment within the Territory. "Territory" is defined to be a specific geographic area.

Dealer shall use its best efforts to sell, service, and promote the sale of Equipment only in the following territories:

- a. Dealer shall, at all times, maintain in the area of primary sales responsibility and within a reasonable travel distance by its customer, a working demonstration unit(s) for presentation to potential customers.
- b. Dealer shall understand the importance of professional end-user support. The Dealer is responsible for the support of all Equipment purchased and resold. Dealer shall understand the strict standards used in being a Solarbeam™ dealer and agrees not to violate these standards by selling Solarbeam™ Equipment to non-authorized Dealers.

3. ACCEPTANCE

The Dealer accepts the appointment granted above and agrees to comply with all terms and conditions of this Agreement.

4. INDEPENDENT CONTRACTOR

The Dealer is and will hold himself out to be an independent contractor and not an agent, partner, or employee of Solarbeam. The Dealer is not authorized to execute in the name of Solarbeam or on its behalf any contract, check, note or written instrument, nor pledge the credit of Solarbeam or to bind or obligate Solarbeam in any way.

B. SALE OF PRODUCT

1. SALES, INSTALLATION AND SERVICE

The Dealer agrees to use its best efforts to promote and encourage the sale and acceptance by customers of the Equipment within the Territory. The Dealer agrees that it will undertake the promotion and sales and service of the Equipment in a conscientious manner, that it will utilize the resources of its entire organization in promptly attending to inquires and in solicitation of new business, and that it will in all ways be active and aggressive in promotion and selling and servicing the Equipment and in building up and enlarging interest in Solarbeam™ and the Equipment. The Dealer agrees to conduct pre-sale technical activities(including site survey, design and engineering), to perform installation services of Solarbeam™Security Equipment and to provide warranty support to the ultimate user.

The Dealer warrants to Solarbeam that the installation of Solarbeam™ equipment and related services, including related materials, shall materially conform to specifications of Solarbeam as to the use and operation of said equipment.

Solarbeam reserves the right not to honor any purchase order for Equipment from the Dealer for ultimate delivery into an area where, in Solarbeam's opinion, the Dealer does not have the capability to properly install and service the Equipment. In addition Solarbeam reserves the right to not honor its standard warranty for the Dealer whom, in Solarbeam's opinion has misrepresented information in the sales such as ultimate area of delivery.

2. INVENTORY

It is advised that the Dealer purchase, carry and maintain a sufficient supply of the Equipment in stock in order to supply the needs of customers within the Territory for demonstration, service, and other related purposes. For certain Solarbeam Equipment, Solarbeam reserves the right to mandate inventory levels.

3. INSTALLATION

Installation of all Equipment shall be at the expense of, and the sole responsibility of the Dealer.

4. SALES SUPPORT

Solarbeam agrees to make available appropriate sales training at Solarbeam's offices or at the Dealer's location, at the option of Solarbeam. Dealer shall be responsible for all travel, food and lodging expenses or its' employees attending sales training meetings. Solarbeam shall:

- a. Provide a minimum of one (1) day sales training, per year, to Dealer's new Sales personnel.
- b. Conduct promotional and advertising campaigns periodically, at Solarbeam's option, to generate sales leads which will be referred to Dealers, where appropriate.
- c. Provide reasonable quantities of product literature free of cost to Dealer, large quantities or special order literature will be provided at Solarbeam cost, plus shipping.
- d. Permit the use of the Solarbeam™ name and logo in advertising, yellow pages, displays and other similar means of communication provided. However, Dealer shall first obtain the written approval of Solarbeam to use the art and copy.

5. TECHNICAL TRAINING SUPPORT

Solarbeam agrees to train Solarbeam™ pre-qualified Dealer service technicians at Solarbeam's expense during its regularly scheduled technical training courses at Solarbeam's factory headquarters. Dealer shall be responsible for all travel, food, and lodging expenses of its employees attending technical training courses. Solarbeam shall do one or more of the following:

- a. Provide Dealer training classes for Solarbeam™ equipment Dealer would resell.
- b. Provide Dealer and equivalency letter from Solarbeam's Customer Service Department in lieu of training Certification as recommended by Customer Service.
- c. Require Dealer to obtain other training as may reasonably be required by Solarbeam Management.
- d. Provide all Solarbeam training Course Material to the Dealer.

6. DOCUMENTATION

One (1) set of installation instructions will be furnished with each system package.

Dealer will receive, upon approval of this application, a then complete set of technical specifications, user manuals and collateral materials.

C. TECHNICAL CERTIFICATION

Dealer Technical Certification will be based on competence demonstrated by a Dealer and on training and resources committed to design, install and service proprietary integration systems. Initial Techni-

cal Certification will be based on the Technical Qualification Data as completed as part of the Dealer Application and an interview with Solarbeam management. Said determination is provided in the sole discretion of Solarbeam. It will be a probationary certification. If there are actions required from the Dealer (i.e. training attendance, purchase of demonstration/technical services equipment, etc.) the Certification remains probationary until such time as the actions are completed to the acceptance of Customer Service. Failure to comply with required actions will be deemed cause of termination.

Annual Technical Re-certification will be based on the previous years' performance and experience, acceptable up to the Technical Qualification Data, and on current employee training.

There will be multiple Technical Qualification Levels for Solarbeam products. Currently two (2) levels are utilized with other to be added Solarbeam's option.

- a. Basic Certification: Applicable to system installation and hardware supplied through Solarbeam.
- b. Advanced Certification: Applicable to Multiple vendor products i.e. radio communications, PC software and detection devices.

Sales, Installation and Service of Solarbeam products will be limited to devices defined by Solarbeam to be within the levels certified for a Dealer as determined in the sole discretion of Solarbeam.

D. DEALER INFORMATION

The Dealer will, at any time during this Agreement, furnish Solarbeam upon its reasonable request such information regarding the Dealer's business as Solarbeam may deem necessary, including, but not limited to, experience profiles, resumes, references, financial statements and also inventories, sales records and forecasts relating to the equipment.

E. DEALER TERMINATION

1. DURATION

This Agreement will terminate on the anniversary date of initial signing of each calendar year unless terminated sooner as provide below. This Agreement may be extended by mutual consent of the parties, automatically.

2. TERMINATION

- a. The Agreement may be terminated by either party at any time by a sixty (60) day written notice to the other.
- b. Solarbeam shall have the right to terminate this Agreement up one (1) day's notice if:
 - i. Dealer assigns the Agreement or any of its right hereunder: or
 - ii. There is a change in the ownership or management of the Dealer: or
 - iii. Dealer neglects or fails to perform or observe any of its obligation to Solarbeam whether under this Agreement or otherwise; or

- iv. Dealer makes an assignment for the benefit of creditors, or a receiver or trustee in bankruptcy or similar officer shall be appointed to take charge of all or part of its' property and/or is adjudged a bankrupt, and such conditions(s) is not remedied within ten (10) days after the occurrence of such event.

3. RETURN OF MATERIALS

Upon termination of the Agreement, however brought about, the Dealer shall return to Solarbeam all catalogs, brochures, demonstration equipment, manuals, pamphlets, and other such materials, if any, furnished to the Dealer by Solarbeam.

4. USE OF TRADEMARKS

Upon termination of the Agreement, however brought about, the Dealer shall immediately discontinue the use of all trademarks and trade names of Solarbeam™.

5. ORDERS FROM TERMINATED DEALERS

- a. Any orders received by Solarbeam prior to termination notice, and those received within the sixty (60) day notification period, will be processed at the established Dealer price list.
- b. Any orders received by Solarbeam after the sixty (60) day notification period, will be processed as follows:
 - i. Dealer must identify himself in writing as a former Dealer. The order must **be** in writing.
 - ii. Terms for equipment sold to terminated dealer require payment in full accompanying order. All Equipment will be shipped freight collect. All other FRS Terms and Condition of Sale are applicable.
 - iii. Orders must be for a net value of a least \$1,000.00 and may not exceed \$75,000.00.
 - iv. These terms apply to normal service and maintenance items such as repairs, exchanges, etc. Complete assemblies, systems, spare parts, etc., are not included and cannot be purchased. In case of conflict, the decision of Solarbeam is final.
 - v. The terms may be canceled, changed, or withdrawn by Solarbeam at its option.

This space intentionally left blank

TERMS AND CONDITIONS OF SALE

A. SALES POLICY

Standard terms are 50% deposit upon purchase order. Thirty percent (30%) of purchase price is payable in exchange for tender of equipment for pick up by Dealer FOB Homestead, Florida. The balance is payable net thirty (30) days from date of invoice. Product shall be invoiced upon tender of equipment for pick up by Dealer FOB Homestead, Florida. This extension of credit is subject to Solarbeam's receipt of an irrevocable letter of credit or prior Credit Department approval, which includes but is not limited to the execution of this Solarbeam International, Inc. Dealer Agreement. Solarbeam reserves the right to refuse orders and is not bound to honor them unless a paper copy, via either fax, telex or mail service has been accepted at the Solarbeam Corporate office as evidenced by return transmission. All orders must include a requested ship date or the order may be canceled. All payments are accepted in U.S. currency only. Prices are subject to change without notice. The minimum order amount accepted is \$100.00.

B. PAYMENT AND SECURITY TERMS

1. Unless otherwise agreed to in writing by Solarbeam, Dealer shall pay all invoices issued within Thirty (30) days from the date of invoice. Orders exceeding \$50,000.00 and /or involving custom products, will generally require progress payment terms with payments due with an order at the time of shipment and net thirty days after shipment. Solarbeam reserves the right to change credit terms at anytime, when in Solarbeam's opinion, Dealer's financial condition, previous payment records, the nature and complexity of the proposed installation and/or the availability of components for completion of product, so warrant.
2. Accounts which are past net thirty (30) days or more are overdue, and at Solarbeam Credit Department's discretion, will result in curtailment of shipments plus other actions as appropriate. On past due accounts over 30 days, 1 1/2% interest charge will be added monthly.
3. Buyer hereby grants and Solarbeam reserves a purchase money security interest in each product Hereunder, and in any proceeds thereof. For the amount of its purchased price. Upon Request of Solarbeam, Buyer shall sign any document required to perfect such security interest. Payment in full of the purchase price of any product purchased hereunder shall release the Security interest on that product.
4. In the event it becomes necessary for Solarbeam to incur collection costs or institute collection or Institute to collect any amount under this agreement or any portion thereof, the Dealer Promises to pay such additional collection costs, charges, and expenses including reasonable attorney fees if the account is placed in the hands of an attorney for collection.

C. PRICES

The list prices for Equipment shall be found on the Dealer Price Lists in effect at the time Solarbeam accepts a purchase order. Solarbeam reserves the right to change pricing at any time during the term of this agreement no less than annually or with 30 days advance written notice being given to the Dealer.

D. TAXES

The price does not include any Federal, State or local property, license, privilege, sales, use, Excise, gross receipts, or other like taxes which may now or hereafter applicable to, measured by, or imposed upon or with respect to his transaction, the Equipment, its sale, its value or its use, or any services performed in connection therewith. Such taxes will be itemized separately to the Dealer, who shall make prompt payment to Solarbeam. Solarbeam will accept valid exemption certificate from Dealer, if applicable. If an exemption certificate previously accepted by Solarbeam is not recognized by the governmental taxing authority involved, Dealer agrees to promptly reimburse Solarbeam for any taxes covered by such exemption certificate, which Solarbeam is required to pay.

F. LIMITED WARRANTY

Solarbeam™ products shall be subject only to the following Limited Warranty:

SOLARBEAM INTERNATIONAL, INC. (“Solarbeam”) warrants its products (“Product” or “Products”) to conform to its own specifications and to be free of defects in materials and workmanship under normal use for a period of twelve (12) months from the original date of shipment. Within the warranty period Solarbeam will repair or replace, at its option, all or any part of the warranted product. Solarbeam will not be responsible for dismantling and/or reinstallation charges. To exercise the warranty, the User (“User”, “Installer” or “Consumer”) must be given a Return Material Authorization (“RMA”) Number by Solarbeam. Details of shipment will be arranged at that time.

This warranty does not apply in cases of improper installation, Acts of God, misuse, failure to follow installation and operating instructions, alteration, abuse, accident or tampering, and repair or installation by anyone other than Solarbeam or a Solarbeam™ authorized dealer..

This warranty is exclusive and expressly in lieu of all other warranties, obligations or liabilities, whether written, oral, express or implied, including any warranty of merchantability or fitness for a particular purpose. Solarbeam will not be liable to anyone for any consequential or incidental damages for breach of this warranty or any other warranties.

This warranty will not be modified, varied or extended. Solarbeam does not authorize any person to act on its behalf to modify, vary or extend this warranty. This warranty will apply to Solarbeam™ Products only. All other products, accessories or attachments used in conjunction with Solarbeam™ equipment, including batteries, will be covered solely by their own warranty, if any. Solarbeam will not be liable for any direct, incidental or consequential damage or loss whatsoever, caused by the malfunction of Product due to products, accessories or attachments of other manufacturers, including batteries, used in conjunction with Solarbeam Products.

This warranty does not warrant the replacement of batteries that are used to power Solarbeam Products.

The User recognizes that a properly installed and maintained security system may only reduce the risk of events such as burglary, robbery, personal injury and fire. It does not insure or guarantee that there will be no death, personal damage and/or damage to property as a result. **Solarbeam does not claim that the Product may not be compromised and/or circumvented, or that the Product will prevent any death, personal and/or bodily injury and/or damage to property resulting from burglary, robbery, fire or otherwise, or that the Product will in all cases provide adequate warning or protection.**

Solarbeam shall have no liability for any death, injury or damage, however incurred, based on a claim that Solarbeam Products failed to function. However, if Solarbeam is held liable, directly or indirectly, for any loss or damage arising under this limited warranty or otherwise, regardless of cause or origin, Solarbeam's maximum liability will not in any case exceed \$2,500.00, which will be fixed as liquidated damages and not as a penalty, and will be the complete and exclusive remedy against Solarbeam.

Warning: Solarbeam warrants its Products to the User. The User is responsible for exercising all due prudence and taking necessary precautions for the safety and protection of lives and property wherever Solarbeam Products are installed. Solarbeam strongly advises the User to program Products to be supervised whenever used in applications affecting life safety. Users are warned that unsupervised devices are subject to undetected failure due to malfunction, battery failure, tampering or changes in environment.

G. CLAIMS

Claims for price adjustments must be submitted in writing to the Solarbeam Corporate Office within (30) days from date of invoice in question. Claims for shortage, or incorrectly filled orders must be made within ten (10) days of receipt of shipment. Failure to give required notification within such period shall relieve Solarbeam of any liability or obligation, other than as otherwise set forth in this Agreement, with respect to said claim. This obligation to provide notice shall survive termination of this Agreement.

H. DELIVERY DATES

1. Orders will be assigned estimated Solarbeam ship dates based on product availability and the date Solarbeam receives and accepts the order. Solarbeam shall make every reasonable effort to meet delivery dates(s) quoted or acknowledged. However, Solarbeam will not be liable for its failure to meet such dates.
2. Solarbeam shall not be liable for loss, damage, detention, or delay due to war, riots, civil insurrection, or acts of the common enemy, fire flood strikes, or other labor difficult, acts of civil or military authority including governmental laws, orders, priorities or regulations, acts of the Dealer, embargo, wrecks or delays in transportation, inability in obtain necessary labor, materials, manufacturing facilities from usual sources, or other causes beyond the reasonable control of Solarbeam. In the event of delay in performance due to such cause the date of delivery or time for completion will be adjusted to reflect the actual length of time as may be necessary to properly reflect the delay. The Dealer's receipt of Equipment shall constitute a waiver on any claims for delay.

I. FREIGHT AND TITLE

1. Title and risk of loss or damage to the Equipment shall pass to the to the Dealer upon tender of delivery FOB at Solarbeam manufacturing facility, except that a security interest in the Equipment or any replacement shall remain in Solarbeam, regardless of the mode of attachment to realty or other proper, until full payment has been made therefore.
2. Dealer shall do all things and acts necessary to perfect and maintain said security interest and shall protect Solarbeam's interest by adequately insuring the Equipment against loss or damage

from any cause and Solarbeam shall be listed as an additional insured. Dealer shall provide Solarbeam with certificate of insurance coverage.

3. Claims for shortages and damages in route must be promptly filed with the delivery carrier.
4. Unless otherwise designated by the Dealer, shipments will be routed by the most expeditious and reasonable method. Freight charges will be prepaid and added to the invoice.

J. RETURNS FOR CREDIT

Returned merchandise will not be accepted at the factory for repair, exchange, or credit without an approval Authorized Return number (AR#) obtained from Solarbeam Management or Customer Service. A service charge of at least fifteen (15) percent will be applied to all approved credit returns for reasons other than Equipment failure on arrival. Credit will not be issued for missing parts or damaged merchandise. Freight will be at Dealer's expense.

K. PRODUCT LIMITATIONS

1. Solarbeam offers a wide variety of standard Equipment. At times, our Equipment is integrated into more complex systems and modifications or adaptations are made for use with other manufacturer's equipment. In some cases, such as Original Equipment Manufacturer (OEM), Solarbeam provides design services. However, our basic function is as the manufacturer. We are not staffed or organized to provide design service beyond normal applications engineering support. Adaptations or modifications will be considered on a one-of-a-kind basis and will require special quotation if determined feasible.
2. The operating design and communications designs, which are part of our systems are proprietary and represent both a major capital investment and a valuable accumulation of unique knowledge gained through years of experience in the security industry. Our solarpowered design and system is not for sale, nor are the flowcharts, diagrams, or documentation on our products available.
3. Our published warranty (Section F) covers Solarbeam systems and components supplied to work together as a system. Any modifications or integration of other components not supplied by Solarbeam voids or limits the warranty.

L. LIMITATIONS OF LIABILITY

1. The total liability of Solarbeam, its subcontractors, and suppliers for all claims of any kind, whether in contract, tort (including negligence), strict liability, or otherwise arising out of, connected with, or resulting from Solarbeam's performance or breach of the Agreement or the equipment or services furnished hereunder shall in no event exceed the price of the equipment and/or security system when purchased from Solarbeam.
2. In no event whether as a result of breach of contract, tort (including negligence), strict liability, or other wise, shall Solarbeam, or its subcontractors or suppliers, be liable for loss of profits or revenues; claims of customers; loss of use of Licensed Programs or Equipment, software, systems, or facility; loss of data or information; lack or loss of productivity; interest charges or cost of capital; cost of substitute equipment, software, systems, or services; cost of purchased or replacement power; downtime costs; or special consequential, or punitive damages of any nature. As Dealer has control over it use of Licensed Programs, Dealer shall indemnify Solarbeam, its subcontract-

tors, and suppliers against any claims of any kind make against them by any customer of the Dealer.

M. PRODUCT DESIGN

Solarbeam reserves the right to discontinue the manufacture of any of the Equipment, to make changes in its design, or to add improvements to the Equipment at any time without prior notice to the Dealer, provided that Solarbeam shall not be required hereby to change equipment previously sold. No part of this paragraphs will be deemed to affect the obligation of Solarbeam to fill orders previously accepted.

N. CONFIDENTIAL INFORMATION

Information furnished by Solarbeam to Dealer with respect to the products and their application, installation, and repair that shall be designated by Solarbeam as confidential or proprietary shall be held by Dealer in confidence during the term of this Agreement or thereafter.

The Dealer agrees that it will not reveal any secret of confidential information provided concerning Solarbeam during the term of or after the termination of this Agreement except to employees of the Dealer connection with the discharge of their duties. The Dealer agrees that it will obtain the commitment of such employee to guard the secrecy and confidentiality of such information.

O. EXPORT COMPLIANCE

In cases where the Dealer has been given authorization by Solarbeam to export, the following export policy shall apply:

Products produced and sold by Solarbeam are subject to either general or validated license Controls under the United States export administration regulations. Export of this product without proper export license, shall be prohibited by law. For further information for requirements regarding the export of this product contact:

U.S. Department of Commerce
International Trade Administration
Washington, DC 20230

P. NOTICE

Any notice or other communication required by this Agreement will be deemed to have been duly given if deposited in the mail, postage prepaid and addressed to the party entitled to receive it at the address set for below:

TO SOLARBEAM: Solarbeam International, Inc.
200 N.E. 2nd Drive
Homestead, FL 33030
Attn: Sales Administration

TO DEALER: _____

Q. ASSIGNABILITY

This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their heirs, personal representatives, successors, and assigns and shall not be directly or indirectly assigned or transferred by the Dealer, in whole or in part, to any person, firm, or corporation without the express written consent of Solarbeam International, Inc.

R. COMPLIANCE WITH LAW

1. Dealer agrees that it will not violate any applicable law or regulation of any county or political subdivision thereof in performing or purporting to perform any act arising out of or in connection with this Agreement.
2. Pursuant to the above-stated obligations, Dealer agrees to maintain said records as required by the applicable laws and regulations and to provide all written assurances required by Solarbeam in connection with said laws and regulations.

S. GOVERNING LAW

It is agreed that this Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida.

T. PARAGRAPH HEADLINES

The titles to the paragraphs of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify or aid in the interpretation of the provisions of this Agreement.

U. ORDER OF PRECEDENCE

1. These Terms and Conditions of Sale and any attachments take precedence over dealer’s additional or different terms and conditions, to which notice of objection is hereby given. Acceptance by Dealer is limited to these terms and conditions. Neither Solarbeam’s commencement of performance nor delivery shall be deemed or construed as acceptance of Dealer’s addition or different terms or conditions.
2. Dealer’s purchase of Solarbeam Equipment hereunder represents acceptance of these Terms and Conditions of Sale and any attachments, which together constitute the entire understanding between and parties and supersede any previous communications representations, or agreements by either party whether verbal or written. No change or modification of any of the terms and conditions herein shall be valid or binding on either party unless in writing and signed by an authorized representative of each party.

IN WITNESS WHEREOF, the parties have executed this Agreement on the ____ day of _____, 20____.

“Dealer”

SOLARBEAM INTERNATIONAL, INC.

a Florida corporation

By: _____

By: _____

Printed Name

Printed Name

Date

Date