



SMART TECHWIN ECO PARTNERSHIP AGREEMENT (“STEP”)

The purpose of this Hanwha Techwin Eco Partnership Agreement (hereinafter referred to as "Agreement") is to stipulate the mutual cooperative relationship between Hanwha Techwin Co., Ltd. (hereinafter referred to as "Hanwha Techwin") and Partner (hereinafter referred to as "STEP Partner").

- A. HTA is a wholly-owned subsidiary of Hanwha Techwin Co. Ltd. of 1204, Changwon-daero, Seongsan-gu, Changwon-si, Gyeongsangnam-do, South Korea ("Hanwha Techwin") and is responsible for the marketing, sales and support of all "HTA Products" in North America, including the development and support of a North American SMART TECHWIN ECO PARTNERSHIP program for HTA Products (the "STEP PARTNER Program").
- B. The objective of the STEP PARTNER Program is to foster good market penetration for HTA Products throughout North America by partnering with companies to be "STEP PARTNER" which can adequately service markets throughout their area of primary business.
- C. Dealer wishes to become a STEP PARTNER for HTA products and HTA is willing to appoint dealer as a STEP PARTNER of HTA products, all on the terms and conditions set forth below.
- D. To be eligible as a STEP Partner, one shall be System Integrator company, installment company, reseller, etc. that handles video surveillance product, security product, etc. Channel Partner is ranked in the order of Diamond, Gold, Silver, and Authorized. Once Partner has agreed with the Agreement and if there is an additional agreement with 'Hanwha Techwin,' each Partner shall perform the following obligations as it has now participated in the Partner program. The rank for Partnership shall be evaluated on an annual basis. The obligations of Channel Partner shall be as follows.
 - a. Achieve Annual Sales Target: The STEP PARTNER shall be obligated to satisfy the annual Sales Target agreed with Hanwha Techwin and upon failure to do so, it is mutually agreed that it may affect the evaluation of the rank of Partner.
 - b. Attend HTA Training Program: The STEP PARTNER will maintain a minimum of two (2) Wisenet Professional Certified employees per branch location. STEP PARTNER employees must be certified within six months of company becoming an HTS STEP PARTNER.
 - c. Purchase Discounted Demonstration Equipment: The STEP PARTNER shall procure demo products in order to market/publicize the products of Hanwha Techwin in an effective way. Such demo products can be purchased at a discounted price at the distributor and if the STEP PARTNER desires to purchase more than the volume granted, it may purchase them at the manufacturer's suggested price.

NOW, THEREFORE, the parties agree as follows:

1. Appointment of Dealer as HTA STEP PARTNER

HTA hereby appoints dealer as an HTA STEP PARTNER and dealer hereby accepts such appointment.

2. Term of Agreement

This Agreement shall be valid and effective for one (1) year from the membership subscription date. The Agreement shall be automatically renewed for another twelve (12) months, unless Hanwha Techwin or Partner expresses its intention to terminate in writing prior to thirty (30) days of the expiration of the term. Notwithstanding the foregoing, unless Partner performs the obligations stated hereunder, Hanwha Techwin may not renew the Agreement or may downgrade the rank of Partner, which shall be accepted without any objection by Partner.

3. Purchase of HTA Products.

During the Term, STEP PARTNER will purchase HTA Products directly through HTA's STEP AUTHORIZED DISTRIBUTORS. All terms and conditions of any sale of HTA Products will be pursuant to the Terms and Condition of Sale via the STEP AUTHORIZED DISTRIBUTORS within HTA's STEP program. The prices at which STEP PARTNER shall purchase HTA Products will be based on HTA published price through our STEP AUTHORIZED DISTRIBUTORS according to the level of the STEP PARTNER.

4. HTA Training Program.

STEP PARTNER will maintain a minimum of two (2) Wisenet Professional Certified employees per branch location. STEP PARTNER employees must be certified within six months of company becoming an HTS STEP PARTNER

5. Termination of Contract.

Upon the occurrence of any one of the following, Hanwha Techwin may terminate (cancel) this Agreement with the Partner by sending a notice to the Partner.

- 5.1. When Partner applies for bankruptcy, insolvency, or liquidation;
- 5.2. When Partner has violated the provision hereunder and failed to remedy such violation within thirty (30) days upon the notification by Hanwha Techwin regarding the breach and the need to take a corrective action; or
- 5.3. When Partner does not cooperate regarding the various marketing strategies, etc. by Hanwha Techwin, thereby failing to create a synergy effect of cooperation

Regarding such termination (cancellation) by Hanwha Techwin, Partner shall not raise any claim or demand compensation.

6. Definitions.

As used in this Agreement for following terms shall have the following meanings:

- 6.1. "HTA STEP PARTNER" shall mean a Person who pursuant to an agreement between HTA and such Person is authorized to sell and market HTA Products.
- 6.2. "Person" shall mean any individual, corporation, Limited Liability Company, partnership, association, trust or other entity.
- 6.3. "HTA Products" shall mean all security and surveillance products manufactured by or for HTA which appear on HTA's price list and which are sold in North America. STEP PARTNER acknowledges and agrees that HTA in its sole and absolute discretion may from time to time (i) modify the price list of HTA Products by adding to or deleting from said list specific products and/or (ii) change or modify any of the HTA Products.

7. Notices.

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made (i) as of the date delivered, if delivered personally or if sent by facsimile or e-mail, provided that the facsimile or e-mail is promptly confirmed by written confirmation sent by registered or certified U.S. mail (postage prepaid, return receipt requested), or (ii) three (3) days after being mailed, if mailed by registered or certified U.S. mail (postage prepaid, return receipt requested) to the parties hereto at the addresses set forth under the signature "blocks" on the signature page of this Agreement (or at such other address for a party as shall be specified by like notice, except that notices of changes of address shall be effective upon receipt).

8. Confidentiality.

STEP Partner shall treat and regard any and all information disclosed by Hanwha Techwin as confidential and such confidential information shall not be disclosed to a third party or reproduced in any form without the prior written consent of Hanwha Techwin. This confidentiality obligation hereunder shall survive during the term of this Agreement and for a period of three (3) years from the expiration or the termination of this Agreement.

9. Intellectual Property.

Nothing in this Agreement is intended to grant any right to the STEP Partner regarding the use of the trademark of Hanwha Techwin or the use of "Hanwha Techwin" or "Hanwha" Group logo to the domain or brand of Partner.

10. Entire Agreement; Modification.

This Agreement (together with the other documents specifically referred to herein) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof. This Agreement may not be amended or modified except by an instrument in writing signed by all parties hereto.

11. Counterparts.

This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

12. Governing Law; Jurisdiction.

This Agreement shall be governed by and construed in accordance with the laws of the state of New Jersey without giving effect to that state's choice of law rules.

13. Attorneys' Fees.

In the event any suit is brought by any party hereto to enforce the terms of this Agreement, the prevailing party shall be entitled to the payment of its reasonable attorney's fees and costs, as determined by the judge of the Court.

14. Successors in Interest.

This Agreement may not be assigned or transferred by any party hereto without the prior written consent of all other parties hereto, except in connection with the sale of all or substantially all of the assets and properties of HTA or the merger, or other reorganization of HTA. Except as otherwise provided herein, all provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the respective successors and permitted assigns of any of the parties to this Agreement.

15. Severability.

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible.

16. Further Assurances.

Each party will execute and delivery such further documents and take such further actions as may be reasonably required to carry out the intent and purpose of this Agreement.

17. Indemnification

The purpose of this Partner Program membership subscription is to create synergy effects based upon cooperation between Hanwha Techwin and STEP Partner and to grant mutual benefits to each other. Nothing in this Agreement shall be deemed to create a joint

venture, partnership (meaning partnership or joint venture relationship in the legal meaning; Partners shall acknowledge that the "Partner" hereunder does not mean the partner in the legal meaning of a word), employment or agency. Furthermore, nothing in this Agreement shall give rise to the obligation of mutual guarantee, such as joint guarantee. HANWHA TECHWIN SHALL NOT BE HELD LIABLE FOR ANY DAMAGES (INCLUDING, BUT NOT LIMITED TO, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES) OR CLAIM ARISING HEREUNDER AND PARTNER SHALL INDEMNIFY AND HOLD HANWHA TECHWIN FREE FROM ANY DAMAGES OR CLAIMS.