

**Special Board Meeting**  
**Monday, April 1, 2024**  
the Elementary Conference Room  
7:00 PM

President Johnson called the Special Board Meeting to order at 7:00 PM on Monday, April 1, 2024 in the Elementary Conference Room. The meeting was advertised in accordance to Policy 2008. An open meetings poster, agendas and procedures to address the Board of Education were available to visitors.

1. Call to order and roll call

Kay Johnson: Present, Chris Lewis: Present, Russ Muhlbach: Present, Emmy Power: Present, Lisa Stewart: Present, Dana Tompkin: Present. Present: 6.

Dr. Gannon was present as well as Matthew Dix and Kevin Hansen representing CEI Security and Sound. Joining via Zoom call were Phil Fenton and Justin Miller representing Prime Secured.

2. Routine Matters

2.a. Consideration to approve security camera bid for the ESSER III Security Camera project.

Prime Secured and CEI Security and Sound both presented more in depth presentations on their bids and answered numerous questions from the board regarding both platforms.

Motion made by Russ Muhlbach seconded by Dana Tompkin to to approve the bid for card access, cameras and video intercoms from Prime Secured for \$100,372.14 plus any additional annual licensing fees that ESSER III will allow. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea  
Yea: 6, Nay: 0

3. Adjournment

Motion made by Kay Johnson seconded by Chris Lewis to to adjourn at 10:01 pm. Vote: Passed

Kay Johnson: Yea, Chris Lewis: Yea, Russ Muhlbach: Yea, Emmy Power: Yea, Lisa Stewart: Yea, Dana Tompkin: Yea  
Yea: 6, Nay: 0

Respectfully Submitted,  
Emmy Power Secretary



We have prepared a quote for you

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**Verkada Card Access, Cameras and Video Intercoms**

Quote # 010378 v14

Prepared for:

**Shelton Public Schools**

Shanna Gannon  
sgannon@sheltonbulldogs.org

Prepared by:

**Prime Secured**

Phil Fenton  
pfenton@primesecured.com

Friday, March 29, 2024

Shelton Public Schools  
Shanna Gannon  
210 9th Street  
Shelton, NE 68876  
sgannon@sheltonbulldogs.org

Dear Shanna,

Thank you for inviting Prime Secured to participate in the selection process for your project. Prime Secured was founded in 2001 with a commitment to deliver quality solutions, installed by certified technicians, and supported by a dedicated customer support team. With over 17 years' experience focused in physical security and infrastructure, we are able to meet the growing needs of the corporate enterprise sector. Our extensive experience makes us a premier integration partner who understands the strengths and complexities of today's physical security solutions.

Our unique approach to project implementation focuses on end to end project management, engineered design, and professional deployment. Our experienced technical support team will be there after deployment to manage your systems and be your liaison to our engineering team. The Prime Secured team understands that each customer engagement is unique and requires great attention to detail before, during, and after your project is launched.

Thank you again for your time and consideration through the initial phase of this process. We look forward to the opportunity to partner with you.



Phil Fenton  
Business Development Representative  
Prime Secured

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## ► Statement of Work

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### Installation Materials

**Notice:** Due to industrywide supply chain shortages, some materials may have delays that could impact project schedules. Prime Secured is working with manufacturers and distributors to ensure materials are delivered in a timely manner where possible. As part of our effort, Prime Secured may also be contacting you regarding alternative materials to support your project. Thank you for your patience during these challenging times.

### Scope of Project

Prime Secured will provide a Verkada Access Control and Video Surveillance System for Shelton Public Schools in Shelton, NE.

Below is a breakdown of materials and services provided by Prime Secured. (see print below) This quote includes (2) hours of training. No access cards are quoted. Verkada mobile credentials are included at no cost. Users of the card access system can access the card reader doors via their mobile phone.

### Access Control:

- **Head End**

- Comm Rm 27
  - (1) 1-Door Controller for Door 12

- **Doors**

- Door 12 (Weight Room Public Entrance Door)
  - (1) Card Reader
  - (1) Door Contact
  - (1) REX Motion
  - (1) ADA Kit
  - Re-use existing locking hardware

- **Access Control Commissioning and Configuration**

- Prime will configure, commission and test the system upon the completion of the installation. Prime will be installing all card access controls at the door and at the head end. Prime will be providing all access control cable and others will install the cable.
- Prime assumes that the customer's network is setup according to Verkada's network requirements and a DHCP server is in place. Any network troubleshooting is outside the scope of this quote and a change order will be needed if any network troubleshooting is required.

- **Access Control Notes**

- All composite cable provided by Prime. Cable installation by Others. Prime will fish cabling at the doors as appropriate for the card reader.
- Prime assumes existing locking hardware is in good working condition

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## ► Statement of Work

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- Locking hardware is excluded

### **Video Surveillance:**

- **Networking**

- (2) 24 Port PoE Network switches by Prime. (Comm Rm 27 & 62)
- (2) Patch Panel by Prime. (Comm Rm 27 & 62)
- Rack/Cabinet by Customer

- **Exterior Cameras** (Camera #'s with an (\*) have existing cabling and will be re-used)

- Camera 12\*, 17, 25\*, 37
  - CH52-E
  - Corner mount
  - Cat6 cable by Prime
    - Cabling Labor by Others
- Camera 6
  - CD42-E
  - Cat6 cable by Prime
    - Cabling Labor by Others
- Camera 27\*, 38, 39
  - CD62-E
  - Cat6 cable by Prime
    - Cabling Labor by Others
- Camera 33
  - CF81-E
  - Angle mount
  - Cat6 cable by Prime
    - Cabling Labor by Others

- **Interior Cameras** (Camera #'s with an (\*) have existing cabling and will be re-used)

- Cameras 3\*, 4, 5, 7, 8, 9, 13\*, 14\*, 15\*, 16\*, 18\*, 20, 21, 22, 28\*, 29\*, 30\*, 31, 32
  - CM42
  - Cat6 cable by Prime
    - Cabling Labor by Others
- Cameras 10\*, 11\*, 19\*, 24\*
  - CD62
  - Existing cabling will be re-used
- Camera 1, 2\*, 23\*, 26\*, 34\*, 35\*, 36\*
  - CF81-E
  - Pendant mount for camera 26\*
  - Cat6 cable by Prime

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## ► Statement of Work

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- Cabling Labor by Others

- **Video Intercoms**

- (2) TD52-HW Video Intercoms
  - Location at entrances shown on design map

- **Viewing Station**

- (1) VX52 Viewing Station
  - To be installed in HS Office
  - Monitor not included
- (1) 10" iPad

- **Video Surveillance Commissioning and Configuration**

- Prime will configure, commission, and test the system upon the completion of the installation. Prime will provide all cat 6 cable and others will install the cabling. Prime will install all cameras.
- Prime assumes that the customer's network is setup according to Verkada's network requirements and a DHCP server is in place. Any network troubleshooting is outside the scope of this quote and a change order will be needed if any network troubleshooting is required.

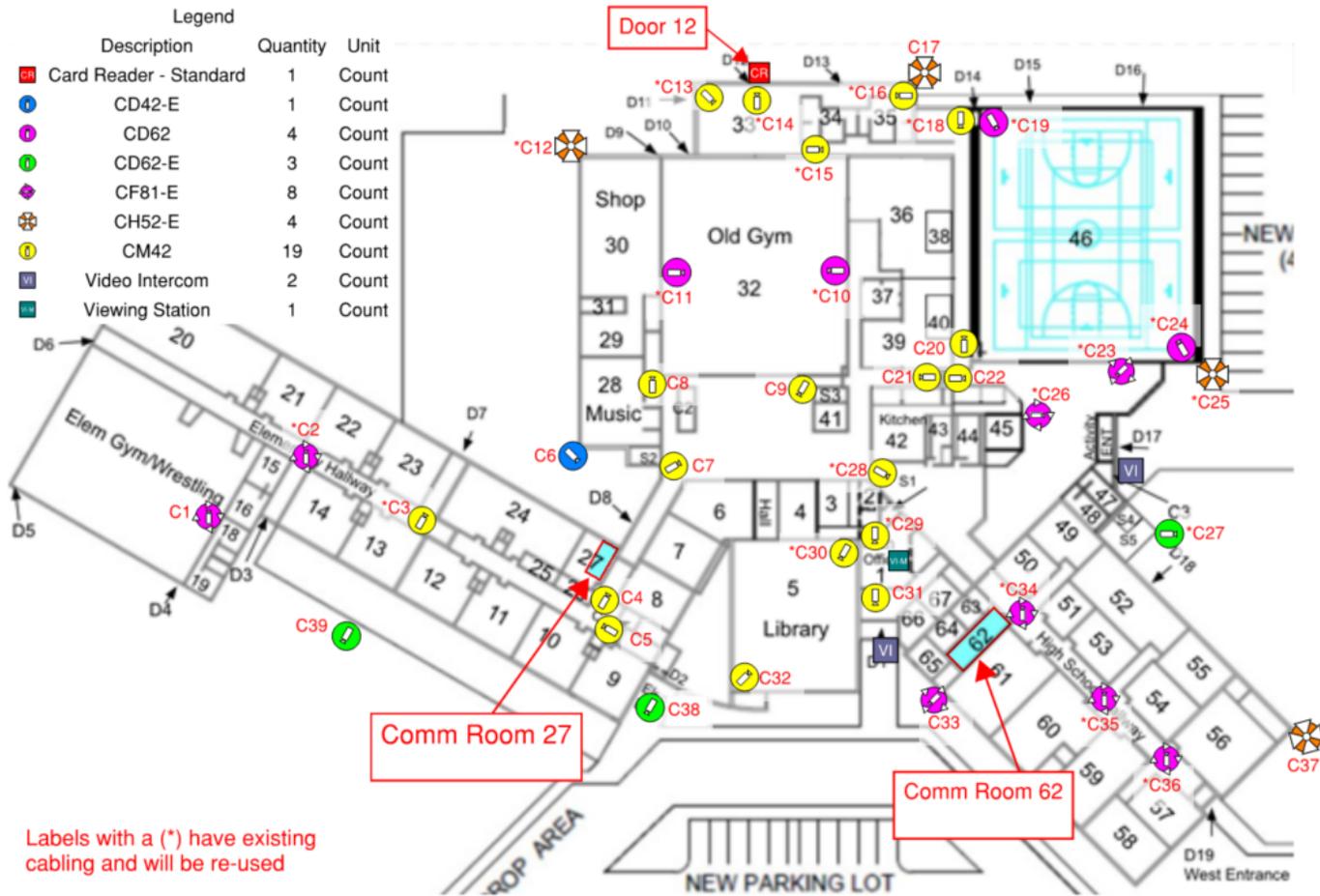
- **Video Surveillance Notes**

- All network cable provided by Prime
- Labor for cable installation by Others.
- Prime assumes all existing cabling is in good working condition
- Cat6 jacks and patch cables provided and installed by Prime
- All lifts, if required are excluded from this scope. We will use the school's lift. If a lift is required, it will be provided by Prime at an additional charge.

- **Quote Exclusions**

- Payment or performance bond is listed as an option and is not included in the base price.
- Prevailing wage is excluded

## Statement of Work



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## Access Control

Description	Price	Qty	Ext. Price
<b>Verkada Licensing</b>			
<b>1 Year Door License</b> 1 Year Door License	\$153.79	1	\$153.79
<b>Door Controllers</b>			
<b>AC12 1 Door Controller</b>	\$431.74	1	\$431.74
<b>Card Readers</b>			
<b>AD33 Multi-format Card Reader</b> AD33 Multi-format Card Reader	\$215.56	1	\$215.56
<b>Installation Consumables</b>	\$22.06	1	\$22.06
<b>Request to Exit Devices</b>			
<b>iRex Plus Accessory, Access Control Module, PIR...</b> iRex Plus Accessory, Access Control Module, PIR, Request To Exit	\$67.16	1	\$67.16
<b>Door Contacts</b>			
<b>1" recessed with 2 switches, 2 closed loop with extended reach</b>	\$30.44	1	\$30.44
<b>SWITCH ACCESSORY RARE EARTH S</b>	\$9.84	1	\$9.84
<b>ADA Kit</b>			
<b>900MHZ DIGITAL RECEIVER</b>	\$70.57	1	\$70.57
<b>900MHZ DIGITAL TRANSMITTER</b>	\$79.40	1	\$79.40
<b>DOOR INTERFACE RELAY</b> DOOR INTERFACE RELAY	\$85.28	1	\$85.28
<b>Altronix Relay</b>	\$19.93	1	\$19.93
<b>Access Control Cabling - Doors</b>			
<b>Access Control Cabling - Doors</b>	\$387.00	1	\$387.00
<b>Access Control Cabling - Cabinet</b>			



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## Access Control

Description	Price	Qty	Ext. Price
Access Control Cabling - Cabinet	\$69.48	1	\$69.48
Subtotal:			\$1,642.25

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## Video Surveillance

Product Description	Price	Qty	Extended Price
<b>Verkada Licensing</b>			
1-Year Camera License	\$122.91	35	\$4,301.85
1-Year CH52 Multisensor Camera License	\$369.97	4	\$1,479.88
1-Year Intercom License	\$153.79	2	\$307.58
1-Year Viewing Station License	\$308.21	1	\$308.21
<b>Outdoor Cameras</b>			
CD62-E Outdoor Dome Camera, 512GB, 30 Days Max	\$1,049.38	3	\$3,148.14
CD42-E Outdoor Dome Camera, 256GB, 30 Days Max	\$740.56	1	\$740.56
CF81-E Fisheye Camera, 30 Days	\$1,234.68	1	\$1,234.68
CH52 Outdoor Multi-sensor dome Camera, 1TB, 30 Day	\$2,222.91	4	\$8,891.64
Verkada PoE++ (802.3bt) injector, GigE	\$92.03	4	\$368.12
Installation Consumables	\$22.06	9	\$198.54
<b>Indoor Cameras</b>			
CF81-E Fisheye Camera, 30 Days	\$1,234.68	7	\$8,642.76
CD62 Indoor Dome Camera, 512GB, 30 Days Max	\$925.85	4	\$3,703.40
CM42 Indoor Mini Dome Camera, 256GB, 30 Days Max	\$431.74	19	\$8,203.06
TELESCOPING BRACKET 15 TO 26	\$4.10	23	\$94.30
<b>Video Intercoms</b>			
TD52 Video Intercom	\$987.62	2	\$1,975.24
Intercom Surface Mount	\$149.25	2	\$298.50
<b>Viewing Stations</b>			
VX52 Viewing Station	\$308.21	1	\$308.21
10.2 inch iPad, 64GB	\$483.82	1	\$483.82
<b>Camera Mounts</b>			
Angle Mount	\$92.03	1	\$92.03
Large Arm Mount (PTZ)	\$98.21	4	\$392.84
Corner Mount	\$122.91	4	\$491.64

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## Video Surveillance

Product Description	Price	Qty	Extended Price
Pendant Cap Mount	\$42.62	5	\$213.10
<b>Network Switches</b>			
24PRTPOE/4PRTGIG(RJ45/SFP)370W	\$639.69	2	\$1,279.38
<b>Patch Panels</b>			
Patch Panel 24port unloaded w/label PANDUIT CPPL24WBLY	\$42.65	2	\$85.30
<b>Camera Cabling Components</b>			
<b>Camera Cabling Components</b>	<b>\$5,447.65</b>	<b>1</b>	<b>\$5,447.65</b>
<b>Shipping &amp; Handling</b>			
Shipping & Handling	\$1,251.47	1	\$1,251.47
<b>Subtotal:</b>			<b>\$53,941.90</b>

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Performance & Payment Bond

\* Optional

Product Description	Price	Qty	Extended Price
<p><b>Performance &amp; Payment Bond</b></p> <p>If the district requires the performance and payment bond, the cost is \$1,227.05 in addition to the base price</p>			
Performance & Payment Bond	\$1,227.05	1	\$1,227.05

\* Optional Subtotal: **\$1,227.05**

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## Verkada Card Access, Cameras and Video Intercoms

**Prepared by:**

**Prime Secured**

Phil Fenton  
pfenton@primesecured.com

**Prepared for:**

**Shelton Public Schools**

210 9th Street  
Shelton, NE 68876  
Shanna Gannon  
(308) 647-6742  
sgannon@sheltonbulldogs.org

**Quote Information:**

**Quote #: 010378**

Version: 14  
Delivery Date: 03/29/2024  
Expiration Date: 01/27/2024

### Quote Summary

Description	Amount
Access Control	\$1,642.25
Video Surveillance	\$53,941.90
Professional Services	\$43,560.94
<b>Total: \$99,145.09</b>	

### \*Optional Expenses

Description	One-Time
Performance & Payment Bond	\$1,227.05
<b>Optional Subtotal: \$1,227.05</b>	

Sales Tax Not Included.  
Applicable sales tax will be calculated upon invoicing.

Payment Terms: Net 30.  
Material is invoiced upon order.  
Labor will be invoiced monthly.

### Prime Secured

Signature:   
Name: Phil Fenton  
Title: Business Development Representative  
Date: 03/29/2024

### Shelton Public Schools

Signature: \_\_\_\_\_  
Name: Shanna Gannon  
Date: \_\_\_\_\_

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## ► Exclusions and Clarifications

### Sales Tax

*By Default, Prime Secured does not include sales tax on quotes unless specifically requested. Applicable sales tax will be calculated and added upon invoicing*

### Exclusions and Clarifications

#### Video

Servers to be provided and installed by Others

- 120VAC power to be provided by others at installation location of all Servers, per manufacturer specifications
- Servers to meet or exceed minimum manufacturer specifications, verify specifications with Prime Representative
- Servers should be installed in a location with adequate climate control
- UPS power for Servers to be provided by others if required by Customer

Workstations to be provided and installed by Others

- 120VAC power to be provided by others at installation location of all Workstations, per manufacturer specifications
- Workstations to meet or exceed minimum manufacturer specifications, verify specifications with Prime Representative

Monitors to be provided and installed by Others

- 120VAC power to be provided by others at installation location of all monitors, per manufacturer specifications
- Monitor Provider is responsible for ensuring video input ports for monitors are compatible with Workstations (HDMI, Display Port, DVI, VGA, etc)

Network Switches to be provided and installed by Prime

- Min. 1 x 120VAC Nema 5-15R receptacle to be provided by others at installation location of each Network Switch
- Min. 1U of rack space to be provided by others at installation location of each Network Switch (2 post or 4 post racks acceptable)
- Verify installation location of all Network Switches with Prime representative
- Unless otherwise noted in the Scope of Work, SFP modules are to be provided and installed by others where required

Patch Panels to be provided and installed by Prime

- Min. 1U of rack space to be provided by others at installation location of each Patch Panel (2 post or 4 post racks acceptable)
- Verify installation locations of all Patch Panels with Prime representative

Network Cabling to be provided by Prime and installed by Others

- All pathways, sleeves, conduit, cable tray, firestopping, network cabling, jacks, surface mount boxes, patch panels, and patch cables to be provided and installed by others

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## ► Exclusions and Clarifications

- All junction box faceplates and other accessories to be provided and installed by others. If face plates are not available at time of cable install, it will be the responsibility of the pathway vendor to install the faceplate and close the junction box
- Network cabling shall be Cat5e or higher
- Cabling runs shall not exceed 300 cable feet from patch panel to device
- All cabling shall be certified per EIA/TIA-568-B standards and guaranteed to be free of defects or faults. Any troubleshooting performed by Prime that is determined to be the fault of cabling defects will be billed to the customer at standard T&M rates
- All cabling shall be labeled with patch panel location and jack number at the device side for easy identification of termination location

### Access Control

Access Control Power Supplies to be provided and installed by Prime

- Min. 1 x 120VAC Nema 5-15R receptacle to be provided by others at installation location of each Access Control Power Supply, max. consumption 840 watts per power supply
- Customer may have Power Supplies hardwired by an electrician if they prefer
- UPS power for Access Control system to be provided by others if required by customer

Locking Hardware to be provided and installed by Others

- All locking hardware and associated equipment, including but not limited to Electric Strikes, Electric Latch Retraction, Electrified Handsets, Mag Locks, and Transfer Hinges to be provided and installed by Others
- Where a transfer hinge is required, wiring between transfer hinge and locking hardware through the door is to be provided and terminated by lock hardware provider. Prime will be responsible for terminating horizontal Access Control cabling to the frame side of the transfer hinge
- All pathways to locking hardware to be provided by others
- All electrified locking hardware shall be capable of being powered by 24VDC
- Any locking hardware requiring an inrush current greater than 5 Amps shall have a power supply provided, installed and terminated by others located within 15 feet of the door

Fire Alarm Interface to be provided and installed by Others

- A Fire Alarm interface relay shall be provided and installed by others near any Access Control Power Supplies that provide power to Mag Locks or Turnstiles, or that control any doors deemed by the customer as needing to unlock in the event of a fire. Prime will limit the use of Mag Locks to situations where there is no other acceptable locking solution

All ADA Operators, buttons, relays, wireless interfaces, etc to be provided, installed, and configured by others where required by code or customer requirements

- Customer must provide a low voltage pathway from each Operator to an accessible location in the ceiling near each Operator to allow Prime to interface the Access Control system with the Operator
- Interior and Exterior ADA buttons must be isolated as separate inputs to the ADA Operator by means of dual home run cables, 2 single channel wireless relays, or a dual channel wireless relay. 2

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## ► Exclusions and Clarifications

ADA buttons cannot be programmed to the same single channel wireless relay  
If customer intends to re-use existing cards from this location or any other location, customer must be able to provide all cardholder information including but not limited to card wireless format, card data format, facility/site code, card number, cardholder first and cardholder last name. Any additional labor required by Prime to gather any of this information will be billed separately from this project

No RFID credentials (Cards, FOBs, etc) are provided in this quote

### General

IP Addresses Provided by others

- Customer must provide individual IP Addresses, or a block of IP Addresses to support the addition of all IP devices to be installed as part of this project
- Devices which require an IP address include, but are not limited to:
  - 2 IPs per Server (1 for iDrac, 1 for Security Network)
  - 1 IP per Workstation
  - 1 IP per Camera
  - 1 IP per Network Master Controller
  - 1 IP per Network Door Controller
  - 1 IP per Intercom Device
  - 1 IP per PBX
  - 1 IP per Network IO Device
  - 1 IP per Alarm Detection Panel

Network Racks to be provided and installed by Others

- All 2 and 4 post network racks to be provided and installed by others
- All cable management equipment to be provided and installed by others

Prime assumes that any existing equipment or equipment provided by others as part of this project is in good working order and is configured and installed correctly to allow the system to operate as intended. This includes but is not limited to cabling and cabling termination, network switch and router configurations, network architecture, network backbone, servers, workstations, and any other components of the network infrastructure. No labor is included in this quote to assist with configuration or troubleshooting of equipment and services provided by others. Any troubleshooting performed by Prime that is determined to be the fault of equipment or configurations provided by others will be billed to the customer at standard T&M rates

This quote includes 2 hours of end user and administrator training. Training is provided remotely in 15 minute increments up to the allotted training hours. On-site training can be provided for an additional fee. Impromptu, unscheduled training will be treated as formal training, and will count towards the overall training hours. Additional training hours can be purchase at standard T&M rates

Unless otherwise stated in this Scope of Work all cyber security protections, windows updates, patches, and software maintenance to be provided and maintained by others. These services can be provided by Prime via a Service Agreement, consult your Prime sales representative for more information

## ► Exclusions and Clarifications

Any work not explicitly included in this scope of work is implicitly excluded from the project

Prime Communications utilizes the Privileged Remote Access Management platform BeyondTrust to commission, perform training, and remotely administrate our customers' systems. A jump client will be installed on all servers. All remote sessions are audit tracked, recorded, and protected by 2FA

Unless otherwise stated in the scope of work, system commissioning performed by Prime shall consist of the following tasks. Prime will initially perform these configuration tasks, but is not responsible for ongoing maintenance of these items. If additional commissioning tasks are required by the customer, please contact your Prime sales representative. Any additional commissioning performed beyond this list will be billed at standard T&M rates

- Servers
  - Configure storage drives per best practices
  - Disable indexing on Video storage drives
  - Adjust Time Zone and Time settings
  - Enable RDP
  - Set Windows name
  - Change default Admin password and document
  - Configure Server IP Address, Subnet Mask, and Gateway and document
  - Configure automatic Daily Database backups
- Core Software
  - Change default Admin password and document
  - Configure Partitions per customer needs
  - Configure Areas per customer needs
- Cameras
  - Program Camera IP Address, Subnet Mask, and Gateway and document
  - Change default Camera password and document
  - Upgrade Camera firmware to the latest supported by current version of software
  - Confirm WDR is enabled, and video quality settings are appropriate for camera scene
  - Add Camera to software
  - Add Camera to proper Partition and Area
  - Rename Camera per standards and with customer input
  - Configure Camera streams to established Prime or Customer standards
  - Enable Dynamic FPS and Dynamic GOP if supported
  - Configure Motion Detection settings to established Prime or Customer standards
  - Verify Cameras are streaming live video
  - Verify Cameras are recording
  - Screenshot approved view and or create Config Tool Thumbnail
  - Link Cameras to other entities where applicable
- Doors
  - Program IP Address, Subnet Mask, and Gateway for any network Door Controllers and document

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## ► Exclusions and Clarifications

- Change default Door Controller password and document
- Update Door Controller firmware to the latest supported by current version of software
- Add Door to software
- Add Door and Door Controller to proper Partition and Area
- Configure hardware connections and door properties appropriately
- Configure Access Rules, Schedules, Alarms, and Linked Cameras where applicable per Customer standards
- Cardholders
  - Create Cardholder Groups, Access Rules, and Schedules per Customer requirements
  - Create Custom Fields for Cardholders per Customer requirements
  - Prime will cover the creation of Badge Templates during training. Unless otherwise stated in Scope of Work, Prime is not responsible for creation of large quantities of Badge Templates
  - Prime will cover Cardholder administration during training. Unless otherwise stated in the Scope of Work, Prime is not responsible for adding all Cardholders to the system or for ongoing Cardholder administration
- Users
  - Create User Groups and assign Privileges per Customer requirements

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## ► Terms & Conditions

### Terms & Conditions - Prime Standard

#### TERMS AND CONDITIONS OF CONTRACT FOR SALE

**1. CONTRACT BETWEEN BUYER AND SELLER:** These terms and conditions of sale, together with a services agreement (if any) (which is incorporated herein by this reference) (collectively, these “Terms”), are the only terms which govern the sale of the products and/or services (collectively, the “Goods”) described herein by Prime Secured, Inc. (“Seller”) to the person or entity purchasing the Goods (“Buyer”). Buyer will be deemed to have assented to the Terms by (a) executing and delivering an acknowledgement of these Terms to Seller or (b) acceptance of any of the Goods. No additional or different specifications will be binding upon Seller unless specifically agreed to in writing. Any additional or different terms already or hereafter proposed by Buyer, whether in a purchase order or otherwise, are hereby rejected and shall not apply; failure of Seller to object to provisions contained in any purchase order or other communication from Buyer shall not be construed as a waiver of these Terms nor an acceptance of any such provisions. Any invoice, together with these Terms, comprises the entire agreement between the parties with respect to the supply of the Goods, and any contract arising therefrom shall be governed solely by the invoice and these Terms (the “Contract”), which supersede all prior or contemporaneous understandings, negotiations, representations and warranties, and communications, both written and oral. In the event of a conflict between a provision of this Contract and a provision of any other applicable document, including all SOWs, change orders, service agreements and schedules, the provision imposing the more demanding term, condition, duty or standard of performance on Buyer, or the greater limitation on the nature and type of relief or damages allowed to Buyer, shall control.

**2. DELAYS:** If either party is delayed or prevented from performing its obligations under this Contract as a result of any cause beyond its reasonable control, including, without limitation, acts of God, fire, riots, acts of war, terrorism or insurrection, labor disputes, transportation delays, governmental regulations, utility or communication interruptions, rejection of domain name by registration company, transportation delays, power failure, computer failure, failure of Buyer’s computer system, Seller system downtime for routine maintenance, network problems or telecommunications failure (each a “Force Majeure Event”), the delay shall be excused during the continuance of, and to the extent of, such cause, and the period of performance shall be extended to the extent necessary to allow performance after the cause of delay has been removed.

**3. LIABILITY:** BUYER AGREES THAT, IN NO EVENT WILL SELLER’S LIABILITY WITH RESPECT TO ANY CLAIM UNDER THIS CONTRACT EXCEED THE FEES PAID TO SELLER BY BUYER DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE EVENT THAT GAVE RISE TO THE CLAIM. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS CONTRACT EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IF A STATE DOES NOT PERMIT THE EXCLUSION OR LIMITATION OF LIABILITY AS SET FORTH HEREIN, LIABILITY IS LIMITED TO THE EXTENT PERMITTED BY APPLICABLE LAW.

**4. WARRANTY:** (a) Seller warrants, for a period of 12 months from the completion of any services provided pursuant to this Contract, that the services (i) shall be performed diligently and in a good and workmanlike manner, in accordance with the terms hereof, and (ii) shall conform to applicable specifications. As Buyer’s sole and exclusive remedy for Seller’s breach of the foregoing warranty, Seller will, in its reasonable discretion, re-perform any services Seller reasonably determines did not meet this warranty at the time the services were rendered. Seller’s obligations in relation to the warranty set out in this Section 4(a) shall be limited to such re-performance and shall be conditional upon Buyer notifying Seller in writing of any alleged defect within 10 days after its discovery. Such notice shall include an explanation of the claimed warranty defect and proof of date of performance of the services for which warranty coverage is sought.

(b) The warranty set out in Section 4(a) shall not apply to: (i) defects caused by abuse, negligence or accident, acts of nature (including lightning strikes), improper operation, or power surge/loss; (ii) equipment that has been maintained, repaired or modified by persons other than Seller or persons authorized by Seller; (iii) equipment that has been used or serviced otherwise than in conformity with Seller’s applicable specifications, manuals, bulletins or instructions; (iv) equipment that has been improperly used, stored or operated; (v) preventative maintenance, inspections or any other maintenance required to keep the system operational; or (vi) consumable items, including but not limited to printer heads, access cards and other items designed to fail in order to protect the equipment (*i.e.*, fuses and surge protectors).

(c) Warranties on products sold but not manufactured by the Seller are expressly limited to the terms of warranties of the manufacturer of such products. Seller shall use its reasonable efforts to transfer to Buyer the benefit of any warranty or guarantee given to Seller by the manufacturer of such third party products.

(d) EXCEPT AS OTHERWISE NOTED IN THIS CONTRACT OR IN THE APPLICABLE SERVICES AGREEMENT, BUYER AGREES THAT ALL GOODS PROVIDED PURSUANT TO THIS CONTRACT ARE PROVIDED ON AN “AS IS,” AND “AS AVAILABLE” BASIS. SELLER AND ITS LICENSORS EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND PERTAINING TO THE GOODS, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. NEITHER SELLER NOR ITS LICENSORS MAKES ANY WARRANTY THAT THE GOODS OR SERVICES PROVIDED HEREUNDER WILL MEET BUYER’S REQUIREMENTS, NOR DO SELLER OR ITS LICENSORS MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM THE GOODS OR SERVICES OR AS TO THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED THROUGH THE GOODS OR SERVICES. TO THE EXTENT ANY JURISDICTION DOES NOT PERMIT THE EXCLUSION OF CERTAIN

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## ► Terms & Conditions

WARRANTIES, SOME OF THE ABOVE EXCLUSIONS MAY NOT APPLY TO BUYER.

**5. ADVICE BY SELLER:** The giving or failure to give advice or recommendation of any character by Seller shall not impose any liability upon Seller nor grant to the Buyer any license to the use of any of Seller's patents, trademarks, trade names, technology, or any other intellectual property.

**6. CREDITWORTHINESS:** All shipments to be made hereunder shall at all times be subject to the approval of Seller's Credit Department and, if the financial responsibility of Buyer is unsatisfactory, or becomes impaired, or if Buyer fails to make any payment in accordance with the terms of this Contract, then, in any such event, Seller may defer or decline to make any shipments hereunder except upon receipt of security satisfactory to Seller or cash payments in advance, or it may terminate this Contract.

**7. ASSIGNMENT:** This Contract, together with all rights, liabilities and obligations arising thereunder, may be assigned wholly or in part by Seller to any one or more of the entities affiliated with the Seller, without the necessity of prior notice to Buyer. Buyer may not assign its rights or obligations under this Contract without Seller's prior written consent, which may be withheld or conditioned at the discretion of Seller.

**8. TAXES:** The price specified herein or in any invoice does not include the amount of any present or future tax applicable to the sale, manufacture, delivery, use and/or other handling of material hereunder, and any such taxes shall be paid by the Buyer.

**9. CHANGES:** Seller assumes no responsibility for any changes in the specifications outlined in the original order, unless such changes are confirmed in writing by Buyer and accepted in writing by Seller. Any price variation resulting from such changes shall become effective immediately upon the acceptance of such changes. Seller assumes no responsibility for additional costs which result from changes made by the Buyer in shipping or production schedules, if such changes cause an increase in Seller's cost or in the time of performance of this Contract, unless such changes are confirmed in writing by the Buyer and accepted in writing by the Seller. Additional costs arising from changes which have not been accepted in writing by the Seller will be claimed against the Buyer. Such claim is to be payable upon presentation.

**10. PRICE; PAYMENT:** The price specified in this Contract or any invoice for any Goods provided hereunder may be changed by Seller upon 10 days written notice to Buyer. Seller shall furnish Buyer an invoice, which shall describe the Goods purchased and the amount due to Seller. Buyer shall pay all amounts due and owing within 30 days. Any payment that is past due to Seller by more than 30 days shall bear interest at the rate of 18% per annum or the highest rate allowed by applicable law (whichever is lower). Buyer shall reimburse Seller for all reasonable costs and expenses incurred (including reasonable attorneys' fees) in collecting any overdue amounts.

**11. MATERIALS:** If materials or equipment which the Seller is required to furnish the Buyer hereunder become unavailable either temporarily or permanently through causes beyond the control and without the fault of the Seller, then in case of temporary unavailability, the contract time shall be extended by change order for such period of time as the Seller shall be delayed by such unavailability and, in the case of permanent unavailability, the Seller shall be excused from the requirement of furnishing such materials or equipment. The Buyer agrees to pay the Seller any increase in cost between the cost of the materials or equipment which have become permanently unavailable and the cost of the closest substitute which is then reasonably available.

**12. EQUIPMENT:** Any tools or equipment which Seller constructs or acquires specifically and solely for use on Buyer's order, shall be and remain Seller's property and in Seller's sole possession and control, and any changes made by Seller therefore shall be for the use of such equipment only. When for a term of 1 year no orders are accepted from Buyer for products to be made with such equipment, Seller may make such disposition thereof as it desires without liability to Buyer. Seller shall have no responsibility for loss or damages to such equipment or any material owned or furnished by Buyer while in Seller's possession. Tool charges designated as estimated will vary in accordance with actual cost.

**13. SITE CONDITIONS:** If, in the course of providing services or installing equipment, Seller encounters any condition that it deems to be, in its reasonable discretion, unsafe, hazardous, or otherwise impacts its ability to safely perform its obligations, including, but not limited to, the presence of hazardous materials, upon notification of such conditions by Seller, Buyer shall promptly take any action necessary to remove or remediate such condition or material. Seller may suspend services until such condition has been remediated by Buyer to the satisfaction of Seller; provided, however, that if Buyer fails to correct the condition within thirty (30) days after receipt of notice of such condition, Seller shall have the right to terminate this Contract upon notice to Buyer, without incurring any additional liability. The cost of any investigation (including consultant's fees and attorneys' fees and testing), removal, remediation, restoration and/or abatement of such conditions shall be borne solely by Buyer.

**14. INTELLECTUAL PROPERTY:** Buyer acknowledges and agrees that Seller, its licensors and manufacturers of any equipment or deliverables may own or maintain certain trademark, copyright, patent, inventions, trade secret or other intellectual property rights (the "Intellectual Property") in and to the deliverables, services, equipment or any other product or service made available to Buyer under this Contract. Buyer further acknowledges and agrees that Seller, its licensors and/or third party manufacturers own all right, title and interest in and to such Intellectual Property, and Buyer will refrain from modifying, enhancing, reverse engineering, updating, improving or otherwise commercializing such Intellectual Property, except as expressly authorized under this Contract. Seller may from time to time arrange for Buyer's purchase, lease or license of equipment or deliverables that amount to third party hardware, equipment, software, services, or other products not owned by Seller. Buyer's use of such third party equipment or deliverables is governed by the terms and conditions provided by such third party, and Buyer agrees to abide by all such terms and conditions. Seller makes no independent representations and warranties with respect to any third party equipment or deliverables, and shall have no liability arising out of or relating to Buyer's use thereof. Seller agrees to pass through to Buyer any warranties provided by a manufacturer of such third party equipment or deliverable to Buyer, if applicable. Any third party warranties are the exclusive remedies of Buyer with respect to third party equipment or deliverables. Except as expressly set forth in these terms and conditions, Buyer acknowledges and agrees that nothing in these terms and conditions shall transfer any right, title or interest in any of Seller's Intellectual Property.

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**15. POINT OF DELIVERY:** Delivery to carrier at point of shipment shall constitute delivery to Buyer and Buyer shall assume all risk for subsequent loss or damage. Title to the Goods shall transfer at such deliver point. The fact that in some instances a different "F.O.B." point may be shown on the face hereof, or that all or a part of freight charges may be prepaid, assumed, or allowed by Seller, is for Buyer's convenience only.

**16. INDEMNIFICATION:** Buyer agrees to indemnify and hold Seller and each of its respective affiliates, officers, directors, agents and employees harmless from and against any and all claims, demands, liabilities, obligations, losses, damages, penalties, fines, amounts paid in settlement, interest, expenses and disbursements of any kind and nature whatsoever (including attorneys' fees, court costs, accountants' fees and fees of expert witnesses, which shall be paid as incurred), arising out of, resulting from, relating to, in the nature of or caused by any suit, investigation, proceeding, demand or claim by any third party (collectively, "Claims"), arising out of or related to (a) an alleged violation by Buyer of this Contract, (b) a claim of intellectual property infringement arising out of or relating to any use by Seller of items supplied by Buyer or deliverables prepared by Seller based upon specifications provided by Buyer, (c) a claim of a violation of any applicable rule, law, regulation, court order or decree or other like item while using a service or deliverable provided by Seller, regardless of whether such person has been authorized to use such services or deliverables by Buyer, (d) a material breach of any representation, warranty, or obligation made by Buyer hereunder, or by any allegation which, if true, would constitute a breach of said representation and warranty, or (e) any personal injury (including death) or property damage arising out of, resulting from, relating to, in the nature of or caused by the gross negligence or willful misconduct of Buyer, its officers, directors, agents or employees. Without limiting the generality of the foregoing, Buyer shall pay Seller all reasonable fees incurred, including attorneys' fees, for time spent by Seller in responding to third party complaints regarding Buyer's use of any service, equipment or deliverables provided by Seller.

**17. WAIVERS:** No waiver by Seller of any breach of any provision hereof shall constitute a waiver of any other breach or of such provision. Seller's failure to object to provisions contained in any communication from Buyer shall not be deemed an acceptance of such provisions or as a waiver of the provisions of this Contract.

**18. GOVERNING LAW:** This Contract shall be construed, interpreted and enforced according to the laws of the State of Nebraska, without giving effect to the conflicts of law principles thereof, and excluding the United Nations Convention on Contracts for the International Sale of Goods. To the extent applicable, each party expressly consents to the exclusive jurisdiction of the federal, state and local courts serving Douglas County, Nebraska, to govern all disputes arising out of this Contract.

**19. CANCELLATION:** This Contract is subject to cancellation by Buyer only upon Seller's accepting such cancellation in writing, and the effective date of such cancellation shall be the date of such acceptance. The date of such acceptance notwithstanding, Seller shall have the right to continue the processing of the materials or articles affected to the point at which the processing can be halted with the least inconvenience to the Seller under the circumstances. Payment of cancellation charges shall be made by Buyer upon receipt of statement of same. Cancellation charges shall not exceed the purchase price of the cancelled portion of this Contract.

**20. TIME LIMITATION ON CLAIMS:** Any course of dealing between the parties to the contrary notwithstanding, at Seller's election, any claim for breach of warranty, shortage, failure or delay in delivery or otherwise shall be deemed waived by Buyer unless presented in writing to Seller within the specified warranty period in the case of claims of breach of warranty, or within sixty (60) days from date of agreed delivery in case of other claims. Causes of action for breach of this Contract shall not be asserted after (1) year from the date said cause of action accrues, provided that this limitation shall not apply to actions by Seller to recover the purchase price of Goods sold hereunder.

**21. CONFIDENTIALITY:** Any specifications, designs, patterns, samples or other similar items or other technical, commercial or financial information relating to Seller's business (the "Information") which Buyer may obtain or which Seller may disclose to Buyer in connection with this Contract, shall be deemed to be confidential and Buyer shall not use the Information for its own purposes (other than for this Contract), nor shall Buyer disclose the Information to any person or firm except as may be specifically authorized by Seller in writing.

**NOTWITHSTANDING ANY INCONSISTENT OR ADDITIONAL TERMS THAT MAY BE EMBODIED IN YOUR PURCHASE ORDER, SELLER WILL ACCEPT YOUR ORDER SUBJECT ONLY TO THE TERMS OF THE WRITTEN CONTRACT BETWEEN US UNDER WHICH YOUR ORDER IS PLACED. IF NO SUCH CONTRACT EXISTS SELLER WILL ACCEPT YOUR ORDER ONLY ON THE EXPRESS CONDITION THAT YOU ASSENT TO THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT.**

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