5/1/2015

Pay Structure

The pay structure set forth below is the compensation for funded installations for the Nexsense dealer program. The multiple pay scale outlined below is effective as of May 1, 2015.

**Multiples:**

* **41X** \* potential on adjusted MMR
  + 36X base for Credit Score of 625+
  + + 2X for ACH (voided check required)
  + + 1X for CC
  + + 1X for 60 Month AMA
  + + 1X bonus for 40 accounts per week
  + + 2X bonus for 60 accounts per week
  + Activation of $69.00 required on all account. Deduct 2X if waived.
  + Credit Scores of 600-624 / Commercial Accounts = 25X \* (requires an activation fee of $199)

\*Dealer guarantees customer will not cancel and will make all their payments for the first 12 months. Otherwise, dealer replaces the account. Waiving of any monthly payments, or payments made by dealer, or any credited months do not count towards the 12 months.

Required Monthly Monitoring Rate (MMR) Range:

Home Sense, Security Sense, Energy Sense . . . . . . Min. $45.95 to Max. $64.99

Cellular . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . Min. $34.95 to Max. $59.99

**Installation Requirements:**

To qualify for pay on an installation generated by your company and installed by Nexsense, the home owner must meet the following requirements:

* Credit Score of 625 or greater (see exceptions above)
* Pass both the pre- and post-surveys from Nexsense, making the customer aware of the terms on the following agreements/forms:
  + The recurring monthly monitoring rate (MMR)
  + The 36/60 month monitoring agreement (AMA)
  + The equipment/system being installed (SOP)
* All paperwork must be completed and signed, and the QAF on the SOP must be completed by dealer.
* If the customer agrees to ACH terms, a voided check is required.
* Cash and money orders are not accepted.

**Install Cost Breakdown:**

Installations will be performed by a Nexsense technician or a Nexsense authorized sub-contractor. Installs can only be legally completed in areas in which Nexsense is licensed. (See coverage area maps and guidelines provided by Nexsense.)

Basic cost to be charged for equipment is: $140.00 for 2Gig Go!Control panel, $125 for cell unit, and $35 per point of protection. See equipment point values on Exhibit A.

The baseline system represented in this agreement is the Nexsense “Home Sense” (see exhibits A and B for features and related point values).

Included with each installation will be 2 yard signs and 5 window stickers. Nexsense will provide the inventory, insurance, and any performance bonds, and where necessary, installation permits required for installations.

In addition, Nexsense will provide any future service, credit pulls, and possible collections. Dealer is solely responsible for his/her seller’s permits, licensing, and any additional fees due to city, county, and state required permitting.

Point Values and Guidelines (full detail included in exhibits A and B)

**Four Basic Equipment Packages:**

* **Home Sense (baseline system)** - 23.3 Point System – Base Price $62.69
* Security Sense – 19.3 Point System – Base Price $58.69
* Energy Sense – 13.6 Points System – Base Price $52.99
* Cellular (interactive compatible) – 9.6 Point System – Base Price $48.99

Equipment is valued at $35 / point. Equipment adjustments, upwards or downwards, will be charged at $35 / point. If points are allowed over package values, the customer pays $35 / point, the dealer pays $35 / point, or $1 additional MMR can be charged for package to cover point charge.

Nexsense does not recommend basic two-way voice systems; as we believe in home connectivity and automation. However, two-way systems can be taken over if MMR is above $34.95; and it is still preferable to upsell these customers into a minimum cellular system that is later compatible for interactive/home automation products.

Adjusted MMR

Multiples will be paid on adjusted MMR. MMR will be adjusted at the following rates based on our four equipment packages:

* $14.50 **= Home Sense**
* $10.50 = Security Sense
* $8.50 = Energy Sense
* $4.50 = Cellular (interactive compatible)

If you build a custom package for the customer, then the adjustments will be as follows: $4.50 for cellular; $4.00 for camera(s); $2.00 for door lock(s); $2.00 for thermostat(s); and $2.00 for light/small appliance module(s).

Funding

Dealers will be paid on all completed customer installations. A completed install requires system to be on-line and functional with the professional monitored central station (currently either Monitronics or AvantGuard); and all paperwork to be completely submitted to Nexsense. Dealers will be paid on Fridays for all completed installs from the week prior (Sunday through Saturday). Payments will be paid to dealers via bank wire transfer. Complete wire instructions must be on hand at Nexsense to insure timely payment; otherwise, payments will be mailed to Dealer. If Dealer chooses to have checks to be mailed and wants them expedited, Dealer agrees to pay for the FedEx (or similar service) charges.

Any rejections, removals, or unfunded accounts by Monitronics (or any other funding source of Nexsense’s choice) gives Nexsense to option to not fund the account from Dealer and may reverse it from future payments, if the account had already been funded to Dealer. This includes 3 day cancelations, attorney general complaints, power of attorney concerns, elderly comprehension, misrepresentations, and other issues that will prevent an account from being purchased by Monitronics or other funding choices of Nexsense.

BY SIGNING THIS AGREEMENT, DEALER ACKNOWLEDGES THAT DEALER HAS CAREFLLY READ AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THIS AGREEMENT AND THAT DEALER IS VOLUNTARILY ENTERING INTO THIS AGREEMENT.

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Dealer’s Printed Name

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Dealer’s Signature

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Nexsense LLC