

# Honeywell

AGREEMENT

STATITROL CORPORATION & HONEYWELL INC.

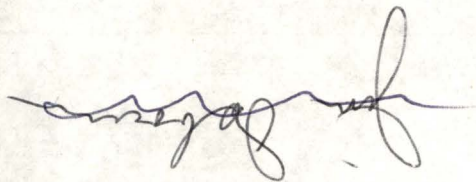
*From the Desk of:*

DUANE E. PEARSALL

50 cabinets

Mayer - Single zone

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**BURNDY / KIERULFF**

To Bellinghassen

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H. Mitterstaedt

---

Letter for 6 mos. prote

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To golden Valley

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Policy -  
all orders to return

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1 Zone - WB44A

Area - TC12A

Quot - TC12B

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SCHEDULE B



PRICE F.O.B.  
CHICAGO, ILL.

DEVICES

	<u>NO. OF UNITS</u>		
Self-Switching Ionization Fire Detector (1503)	(1)		
	(1)	\$ 50.00	(1900-1600) w/ Power Supply - 75 <sup>00</sup>
Power Supply for Devices	(1)	-----	

EQUIPMENT

*Power Supply*

A-404 Panel	(1)	170.40	
A-403 Ceiling Detector	(1)	36.00	
A-405 Duct Detector	(1)	48.00	
Two Zone Panel	(2)	232.00	
Three Zone Panel	(3)	312.00	
Four Zone Panel	(4)	410.00	
Five Zone Panel	(5)	540.00	Not 1750.
Six Zone Panel	(6)	640.00	

All prices shown are based on labor and parts cost as of the date of this Agreement. Statitrol reserves the right to adjust the prices in relation to increases in the Consumer Price Index. Such adjustments will not be made during the original term of this Agreement and, thereafter, will be made in increments of no more than 5%, no more often than once every six months, and only made upon a minimum of sixty days advance written notice to Honeywell.

SCHEDULE C

SPECIFICATIONS

SELF-SWITCHING IONIZATION

FIRE DETECTORS (DEVICES)

Section I - General

1.0 Market Objective

Expand the existing smoke detection market.

2.0 Results Expected

2.1 Provide a self-contained products of combustion detector which operates on the ionization principle.

2.2 The detector will provide alarm signal initiation to existing Fire Alarm Control Units and Transmitters.

2.3 The detector will provide contacts for alarm signal initiation and for trouble or fault signal initiation.

2.4 The detector will be powered by a separate low voltage DC regulated power supply panel.

3.0 Application

3.1 The detector will be connected to Honeywell Fire Alarm Control Units and Transmitters to signal the presence of products of combustion and to signal a failure of the detector. Several detectors may be connected to the signal initiating circuit of a Fire Alarm Control Unit or Transmitter; such as the W247, W728, W733, S473, W729 or any other control units which are operated by normally open alarm and normally closed trouble contacts.

3.2 The number of detectors on a circuit shall be limited only by the capacity of the power supply and voltage drop in the supply circuit.

- 9.1.3 The detector shall operate on the principle of ionization of the invisible particles of combustion by the incorporation of a single ionization chamber with a radiation source of 0.5 microcuries maximum of radium sulfate.
- 9.1.4 The detector shall be listed by Underwriters' Laboratories for spacing of at least 60 feet on center or within 30 feet to the nearest wall. This represents a range of 42.5 feet radius from the detector.
- 9.1.5 The sensitivity shall be equivalent to light obscuration due to smoke of not more than 4% per foot at the detector as described in paragraph 111, U.L. Standard 168.
- 9.1.6 The detector shall be capable of maintaining a set sensitivity for at least one year with no more than a 20% change in sensitivity at the 4%/foot setting while operating in normal ambient atmosphere specified.
- 9.1.7 The sensitivity shall be maintained within <sup>20</sup>~~40~~% of the 4%/foot setting when the voltage is varied between 25 and 33 volts DC.
- 9.1.8 The detector shall provide a visual indication of normal, alarm, and trouble condition.
- 9.1.9 The detector shall lock in, and hold the alarm condition until manually reset by reducing the supply voltage.
- 9.1.10 Each detector head to contain polarity reversal protection.

## 9.2 Electrical Ratings and Tolerances

- 9.2.1 The detector shall be capable of operating from 25-33 volts DC.
- 9.2.2 The maximum current input shall be 22 milliamperes in normal condition and 65 milliamperes in alarm condition.
- 9.2.3 The alarm and auxilliary contacts shall be rated for:

- 1.0 amps at 24 VDC or 120 VAC maximum resistive
- 0.5 amps at 24 VDC or 120 VAC 50/60 hz inductive (5 times inrush at 0.5 PF)
- 0.5 amps at 24 VDC or 120 VAC 50/60 hz lampload

The trouble contacts shall be rated for:

- switching 20 ma and carry 0.5 amp relay load at 120 V maximum 50/60 hz or half or full wave rectified AC

### 9.3 Calibration

- 9.3.1 The sensitivity shall be adjustable as defined by U.L.
- 9.3.2 Instructions and marking of the calibration or sensitivity adjustments shall be provided on the detector to indicate the proper adjustments and the effects of the adjustments.
- 9.3.3 The detector may require an initial set up calibration to compensate for pressure changes at different altitudes and line voltages between 25 and 33 volts.

### 9.4 Reliability and Life

- 9.4.1 The detector must be designed for a life expectancy of 15 years with an anticipated alarm and trouble operation once monthly.
- 9.4.2 The alarm and trouble relay contacts shall operate reliably when switching 10 milliamperes at 120 VAC and 20 milliamperes at 24 VDC under all environmental conditions.

### 9.5 Environmental

- 9.5.1 The detector must operate reliably after exposure to saturated hydrogen sulfide atmosphere for a period of 24 hours.
- 9.5.2 The detector must function within the sensitivity range specified in paragraph 9.1.6 over the temperature range of 30<sup>o</sup>F to 120<sup>o</sup>F.
- 9.5.3 Detector must function within the sensitivity range specified in paragraph 9.1.6 after exposure to 95% R.H. at 77<sup>o</sup>F for a period of one week.
- 9.5.4 The detector shall not be affected by ambient light or by dust accumulation over a reasonable length of time under normal space conditions.
- 9.5.5 The ceiling mounted detector must function within the sensitivity range specified in 9.1.6 over the air velocity range of 0-100 feet per minute.
- 9.5.6 The duct mounted detector shall be capable of operation in duct velocity range of 300-1500 feet per minute.

### 9.6 Interconnected System

- 9.6.1 The detector shall be provided with a connector and color coded lead wires.

- 9.6.2 The detector shall be connected to a separate power supply and control panel which has the following characteristics:
1. Terminal connections for 14 ga wire.
  2. 120 volt 50/60 hz input and 220/240V 50/60 hz.
  3. 33 volts DC regulated output.
  4. 35-48 volt battery standby provisions.
  5. Reset switch for resetting the detectors from alarm condition.
  6. Control the voltage turn-on rate to the detectors to prevent false alarms upon power failure restoration or alarm reset.
  7. Provide two circuits for connection of the detectors. Each circuit to be rated for 1.0 amp at 33 VDC.
  8. SPDT contacts which transfer upon failure of the primary AC power. The contacts shall be rated the same as the detector alarm contacts as specified in 9.2.3.
  9. Over voltage protection required to protect heads.
  10. Power supply panel to have a 30 to 120°F ambient temperature rating.

## 10.0 Field Installation

- 10.1 The detector shall be 6 1/2 in dia and not protrude more than 3" from the mounting surface.
- 10.2 The detector mounting shall be as follows:
- 10.2.1 Flush or surface mounted on a 4" x 4" x 2 1/8" deep outlet box.
  - 10.2.2 A model of the detector shall be designed for mounting in a duct.
- 10.3 Field Wiring
- 10.3.1 Field wiring shall be made to a connector with color coded leads that will plug into the detector head.
- 10.4 Service
- 10.4.1 Any special tools or procedures required for proper installation, service or calibration shall be provided.



- 10.4.2 Typical voltage or current values shall be provided on the internal circuit schematic. The schematic shall provide component values.
- 10.4.3 Any lamps or other parts requiring replacement during the life of the device must be accessible for simple replacement.
- 10.4.4 The detector must operate within the performance requirements with a minimum of once per year service and maintenance.

#### 11.0 Styling

#### 12.0 Approval Body or Customer

- 12.1 The detector shall meet the requirements of Underwriters' Laboratories Standard 168, "Smoke Detectors for Fire-Protective Signalling Systems." The detector shall be listed by U.L. under the Label Service Inspection.
- 12.2 The Underwriters' Laboratories Test Report and Factory Inspection Procedure shall be included as a part of this specification.
- 12.3 The detector shall be listed by Factory Mutual Engineering.

#### 13.0 Application or Sales Information

- 13.1 It is not anticipated that the duct mounted models will be listed by Underwriters' Laboratories or by Factory Mutual Engineering and, therefore, the standards for the duct model shall be the same as those for the ceiling model, with the addition of a velocity shield, a mounting box and a duct mounting plate.

### Section III - Quality Provisions

#### 14.0 Quality Assurance - Self Switching Devices

##### 14.1 Preliminary Procedures

- 14.1.1 At the time Statitrol has completed the design of self switching devices and, at submittal to U.L., eight units are to be supplied to Honeywell and are to be tested for conformance to this specification.
- 14.1.2 Copies of correspondence between Statitrol and U.L. during U.L. testing is to be supplied to Honeywell. The final report and inspection procedure is also to be supplied to Honeywell as soon as it is issued.

#### 14.2 Design Acceptance

After units have been tested and satisfactorily meet specification requirements, Honeywell will set up drawings showing details of product, write Engineering Specification describing devices for ratings and performance requirements the product is to meet.

#### 14.3 Vendor Qualification

Statitrol and their assembly subcontractor, if one exists, shall be qualified as a vendor to Honeywell as determined by surveys of his manufacturing and engineering facilities.

#### 14.4 Production Acceptance

At least ~~SIX~~<sup>TWENTY</sup> of the first production units purchased will be tested by Honeywell Quality Engineering for conformance to our prints, Engineering Specifications and workmanship standards.

#### 14.5 Receiving Inspection

All production units shall be subject to normal receiving inspection procedures and quality audits used by Honeywell to assure the quality of this type product. These procedures require the testing of the units purchased against the specification and workmanship standards established by Honeywell.

### 15.0 Quality Assurance - A403, A404 and A405 Devices

#### 15.1 Vendor Qualification

Statitrol Corporation and their assembly subcontractor, if one exists, shall qualify as a vendor to Honeywell - Commercial Division.

#### 15.2 Device Inspection

That all subject devices A403, A404 and A405 purchased by Honeywell shall be subject to inspection by Honeywell to the performance requirements established by Underwriters' and Statitrol and workmanship standards established by Honeywell to assure product reliability and performance consistent with that of Honeywell manufactured products used in the Fire Alarm market.

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GENERAL CORRESPONDENCE

*Statitrol*

THIS AGREEMENT is made as of the 13<sup>th</sup> day of September, 1966, between HONEYWELL INC. (Honeywell), a Delaware corporation, having its principal offices in Minneapolis, Minnesota and STATITROL CORPORATION (Statitrol), a Colorado corporation, having its principal offices in Denver, Colorado.

WHEREAS, Statitrol manufactures self-switching <sup># Self Contained</sup> ionization fire detectors (such devices and any modifications or replacements therefor are hereinafter called Devices) and other fire detection equipment (such equipment and any modifications or replacements therefor are hereinafter called Equipment), and

WHEREAS, Statitrol owns <sup>certain</sup> patent rights including application Serial No. 391558, filed August 24, 1964, (Stroh) and application Serial No. 546663, filed May 2, 1966, (Blackwell) and may acquire additional patent rights during the course of this Agreement, all of such rights being referred to as "Patent Rights," and

WHEREAS, Statitrol desires to sell, and Honeywell desires to purchase, Devices and Equipment,

NOW, THEREFORE, in consideration of the mutual promises, representations, covenants and conditions hereinafter set forth, it is agreed that:

1. Honeywell will buy and Statitrol will manufacture and sell to Honeywell, at prices set forth in Schedule B, a minimum of 15,000 units of Devices and Equipment (Units) over a 36 month period. The 36 month period shall commence on the first day of the month following the month in which U.L. listing is granted to the Devices (such 36 month period is hereinafter referred to as the

*Self switching devices as defined as  
three ionization detectors which require a separate  
low voltage DC power supply*

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term of this Agreement); however, all ~~Units purchased after the~~  
~~date hereof shall apply to reducing the liquidated damages to~~  
~~be paid by Honeywell for failure to purchase 15,000 Units.~~

Delivery will be at the rate established in Schedule A. Unit  
count, for the purpose of determining the 15,000 Unit minimum,  
will be determined on the basis set forth in Schedule B.

2. Commencing on the date hereof and continuing through the term of  
this Agreement Honeywell shall have the world-wide right to use  
and the exclusive world-wide right to sell <sup>*self switching*</sup> Devices (as herein-  
above defined), which includes modifications and subsequent  
generations of the <sup>*self switching*</sup> Devices. In addition, Honeywell shall have the  
world-wide license to use and the exclusive world-wide right to  
sell all <sup>*self switching*</sup> Devices produced under Statitrol's Patent Rights  
and know-how and any changes and/or improvements thereof, for the  
term of this Agreement. Devices which are supplied pursuant to a  
Honeywell purchase order are to be built in accordance with  
specifications and are to comply with performance standards set  
forth in Schedule C. ~~Units which are delivered but which do not  
conform to these specifications and standards, and which are not  
made to so conform within 30 days after notice of rejection,  
shall be deemed to be Units which Statitrol has failed to supply  
in response to a purchase order.~~
3. Statitrol is hereby appointed Honeywell's exclusive sales agent  
for sales of Devices to Original Equipment Manufacturers (OEMs)  
during the term of this Agreement. Honeywell agrees to sell  
Devices to Statitrol at prices as set forth in Schedule D. Such  
prices shall be subject to change by Honeywell at any time,

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provided, however, that no increase ~~in any such price shall become~~ effective until 60 days after written notice thereof has been served on Statitrol, and provided further that such prices shall never be higher than 95% of the price at which Honeywell's branch offices are billed for similar items. Honeywell will in no way control the prices charged by Statitrol to OEMs for these items. No customer of Statitrol is to be classed as an OEM unless it agrees to purchase 500 Devices per year. Statitrol shall not be obligated to purchase any minimum quantity of Devices but shall advise Honeywell, at least thirty days prior to each three-month period, of the number and type of Devices it wishes to purchase from Honeywell during such three-month period.

4. To avoid the burden and the expense involved in litigating the question of damages in the event of failure of performance of certain obligations hereunder, the following liquidated damages are hereby agreed upon:
- A. If Statitrol shall fail to deliver on schedule the full number of Units ordered by Honeywell in any quarter (within the limits set in Schedule A) Statitrol shall pay to Honeywell, not later than the fifteenth day of the month following the quarter in which such default occurred, liquidated damages as follows:
- (1) for each Unit not delivered up to a number of Units equal to 5% of the minimum set for the quarter under Schedule A-----\$ 5.00, and
  - (2) for each additional Unit not delivered up to a number of Units equal to 15% of the minimum set for the quarter under Schedule A-----\$15.00, and

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- (3) for each additional Unit not delivered up to a number of Units equal to 30% of the minimum set for the quarter under Schedule A-----\$25.00, and
- (4) for each additional Unit not delivered-----\$35.00.

B. If Honeywell fails to order and accept delivery during any year the minimum number of Units set in Schedule A, Honeywell shall pay to Statitrol, not later than the fifteenth day of the month following the year in which such default occurred, liquidated damages as follows:

- (1) for each Unit not ordered or accepted up to a number of Units equal to 5% of the minimum set for the quarter under Schedule A----- \$5.00, and
- (2) for each additional Unit not ordered up to a number of Units equal to 15% of the minimum set for the quarter under Schedule A-----\$ 7.50, and
- (3) for each additional Unit not ordered up to a number of Units equal to 30% of the minimum set for the quarter under Schedule A-----\$10.00, and
- (4) for each additional Unit not ordered or accepted-----\$15.00.

In the event that Statitrol's failure to deliver or Honeywell's failure to order or accept Units is due directly to acts of God, acts of civil or military authority, strikes, floods, epidemics, war, riot, or other causes beyond its reasonable control, the time in which such Units must be delivered or ordered and accepted shall be extended for a period equal to the time lost by reason of such event.

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5. Upon written notice to Statitrol by Honeywell the minimums prescribed in Schedule A shall be increased or rearranged, provided, however, that
- (1) <sup>IN EXCESS OF 50%</sup> no change shall become effective within less than three months after such notice is given, and
  - (2) ~~no change which will increase the minimum prescribed for any quarter by more than 50% shall become effective within less than six months after such notice is given.~~
6. In addition to its obligation to sell Devices to Honeywell pursuant to this Agreement, Statitrol agrees to sell Equipment to Honeywell at the prices set forth in Schedule B in such reasonable quantities as Honeywell may order. Honeywell shall not be obligated to buy any Equipment from Statitrol.
7. In addition to Statitrol's statutory and Common Law obligations as a manufacturer and a seller, Statitrol warrants all Devices and Equipment sold by it under this Agreement to be free from defects in workmanship and material. Devices and Equipment that are returned to Statitrol, transportation prepaid, within a period of eighteen months after date of shipment by Statitrol and which are found to be defective in workmanship or material will be repaired or replaced free of charge and return shipped, transportation prepaid.
8. Statitrol shall maintain, during the term of this Agreement or any extension thereof and for a period of ten years thereafter, facilities and adequate parts for the repair or, at Statitrol's option, replacement of Devices and Equipment.

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*Statitrol*

9. Statitrol shall indemnify and hold Honeywell and its customers harmless for all costs and expenses resulting from claims of patent infringements with regard to Devices or Equipment. To establish an indemnity fund, Honeywell will deduct, and retain in an escrow account, \$2.00 per Unit for each Unit purchased by Honeywell, and continue to do so until the fund reaches \$40,000. In the event the fund is depleted, additional deductions, at the rate of \$2.00 per Unit, shall be made so as to maintain the fund at \$40,000. Interest on the fund, at <sup>8 1/2%</sup> ~~4 1/2%~~ per annum, shall be paid over to Statitrol on the first day of January, April, July and October. The fund shall be used for the defense of any patent infringement claim or suit covering Devices, except to the extent that such defense is provided under any insurance coverage available to either Statitrol or Honeywell. The provision for this fund shall not limit Statitrol's liability in any way. If Honeywell has not been informed of the institution of any such claim or suit within three (3) years after the end of the original term of this agreement, Honeywell shall turn over the entire fund to Statitrol without restriction. If any such claim or suit is brought against Honeywell, it shall have the right to select the lawyer or lawyers to defend itself against such suit or claim; but this shall in no way restrict Statitrol in the selection of counsel to represent its interest in the premises. As between the parties, the fund shall be considered as the property of Statitrol subject, however, to its accumulation and use for the foregoing purposes, and for the term above provided.



10. Statitrol shall provide qualified personnel to conduct training classes, of up to three days' duration, for Honeywell personnel, four times per year during the term of this agreement, all at no cost to Honeywell. Unless the parties agree to the contrary, training will be conducted in Minneapolis or at some other Honeywell facility in the United States specified by Honeywell.
  
11. Field work required during what might reasonably be considered to be the startup and product test phase of Honeywell's sale of Devices during a period not to exceed 18 months from the date of UL approval <sup>OF EACH NEW MODEL</sup> shall be performed by Statitrol at its own expense, but Statitrol shall be required to perform such field work only upon a request from the headquarters of Honeywell's Commercial Division. All out-of-pocket costs incurred by Statitrol in the performance of field work pursuant to such a request after such startup and product test period shall be reimbursed by Honeywell. Such reimbursement shall be made within thirty days after delivery to Honeywell of Statitrol's invoice therefor.
  
12. Honeywell shall have the option to extend the term of the Agreement for one or more successive periods of 12 months each, provided, however, that written notice of the exercise of each such option must be given at least six months prior to the expiration of the preceding term. Any such renewal shall be on the same terms and conditions set forth herein, except that the number of Units Honeywell will be required to purchase on a yearly basis will be 10,000 Units.



*Statitrol*

13. Honeywell will issue purchase orders at least every three months which will set forth specific quantities of Devices to be delivered and the time and place of delivery. Honeywell will only be obligated to pay invoices which have been issued for Devices which are delivered in response to Honeywell purchase orders. ~~The sale price of Units delivered to Statitrol will be a credit to Honeywell against the amount owing under such invoices.~~ Payment terms of all such invoices shall be net fifteen (15) days. Purchase orders issued hereunder, including the standard terms and conditions of purchase appearing thereon, shall be deemed to be a part of this Agreement, provided, however, that in the event of any conflict between such a purchase order and this Agreement, this Agreement shall be controlling.
14. Devices and Equipment may be marketed by Honeywell under the Honeywell name and advertising, technical literature and other sales promotion material need not refer to Statitrol, provided, however, that Statitrol may attach in an inconspicuous place on each Device or Equipment a plate setting forth its name and any other information reasonably necessary to protect Statitrol's patents.
15. If one or more devices which are reasonably competitive to the Devices shall be made <sup>from a supplier other than Honeywell's own manufacture</sup> ~~at a price less than 150%~~ of the price at which Honeywell is able to purchase Devices from Statitrol pursuant to this Agreement, and, as a result, Honeywell is not reasonably able to sell the minimum number of Devices prescribed in Schedule A, Honeywell may give written notice of such facts to Statitrol, and if Statitrol does not, within sixty

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days thereafter, reduce the prices set forth in Schedule B to a point which will enable Honeywell to effectively compete with such competitive device, Honeywell may cancel this Agreement, provided, however, that no such cancellation shall become effective until at least one year after the commencement of the term of this Agreement. This agreement shall also be voidable by Honeywell if U.L. approval of Statitrol's Devices is not forthcoming by June 1, 1967.

16. If <sup>ISC</sup> Statitrol should decide to stop supplying Devices and Equipment to <sup>STATITROL</sup> Honeywell or if <sup>ISC</sup> Statitrol should fail to supply <sup>STATITROL</sup> Honeywell with Devices and Equipment in the quantities called for by purchase orders issued by <sup>STATITROL</sup> Honeywell for two consecutive three-month periods, then, to assure <sup>Statitrol</sup> Honeywell of a continuing supply of Devices and Equipment, <sup>ISC</sup> Statitrol agrees to license <sup>Statitrol</sup> Honeywell to manufacture, or have manufactured, Devices and Equipment pursuant to an agreement attached hereto and forming an Appendix to this Agreement and, in addition, <sup>ISC</sup> Statitrol agrees to deliver its tooling to <sup>Statitrol</sup> Honeywell. <sup>Statitrol</sup> Honeywell agrees that it will then pay <sup>ISC</sup> Statitrol the reasonable cost to reproduce such tooling. Nothing in this paragraph shall be construed to reduce or limit <sup>ISC's</sup> Statitrol's responsibility in any way.

17. Statitrol will obtain state and Federal approvals and licenses (and selected foreign approvals and licenses on specific Honeywell request) as are necessary to permit the sale of Devices and Equipment in such jurisdictions, all at no cost to Honeywell. Failure of Statitrol to obtain the necessary approvals and licenses will proportionately reduce the minimum number of Units Honeywell shall be required to purchase.

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18. All notices required under this Agreement shall be deemed to have been duly given when deposited in the United States mails, first class postage prepaid, addressed as follows:

To Statitrol: Statitrol Corporation  
1030 West Ellsworth *140 So. UNION ST.*  
*LAKELWOOD* Denver, Colorado 80223-80227  
Attention: President

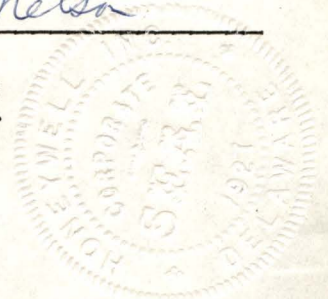
To *ISC* Honeywell: Honeywell Inc. *(VQ put in ISC name & address)*  
~~2701 Fourth Avenue South~~  
Minneapolis, Minnesota 55408  
Attention: ~~Manager of Marketing~~  
~~Commercial Division~~  
*President*

19. This agreement shall be binding upon and shall inure to the benefit of any corporation, company or entity into which either Statitrol or ~~Honeywell~~ *ISC* may be merged or consolidated or which purchases that part of the assets of either of them to which this Agreement relates, but this Agreement may not otherwise be assigned without the written approval of the other party, provided, however, that ~~Statitrol~~ *ISC* may assign to a bank or other financial institution its rights to receive payments hereunder or for Devices or Equipment purchased by ~~Honeywell~~ *Statitrol*. *ISC* Statitrol shall not, during the term of this Agreement or any renewal hereof, assign or convey any rights under any of its patents relating to Devices, *as related to fire, security and monitoring* except that ~~Statitrol~~ *ISC* may encumber its patents to a bank or other financial institution as collateral for a loan or loans provided, however, that any such pledge or encumbrance shall give ~~Honeywell~~ *STATITROL* the preferential and first right to purchase such patent outright at the highest bona fide best price offered in any sale pursuant to a foreclosure of such collateral.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their proper officers duly authorized and have caused their corporate seals to be affixed as of the day and year first above written.

*STATITROL*  
HONEYWELL INC.

By *S. J. Nelson*  
Title:  
Vice President  
& Gen. Manager



Attest:

*Marg F Riley*  
*Asst. Secretary*

*INTEGRATED SYSTEMS COMPANY,*  
~~STATITROL CORPORATION~~

By *Quinn Deasall*  
President

Attest:

*Irwan Blackwell*  
*Secretary*

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*Statistical*

SCHEDULE A

AGREEMENT

<u>PERIOD</u>	<u>UNITS*DELIVERED TO HONEYWELL</u>
First 3 months	300
Next 3 months	700
Next 3 months	1000
Next 3 months	1000
	<hr/>
(First Year Total)	(3,000)
Next 3 months	1000
Next 3 months	1000
Next 3 months	1000
Next 3 months	1000
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(Second Year Total)	(4,000)
Next 3 months	2000
Next 3 months	2000
Next 3 months	2000
Next 3 months	2000
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(Third Year Total)	(8,000)
Total - 36 months	(15,000)
	(Minimum Guarantee)

\*Units ordered and supplied in an earlier period may be used as a credit against units to be supplied or purchased in a subsequent period