

**EXHIBIT 3
CITY OF HALLANDALE BEACH/CRA ECONOMIC DEVELOPMENT
PERFORMANCE AGREEMENT**

This Performance Agreement (the "Agreement") is entered into this ___ day of October, 2011 by High Tech Video Security International, Inc. (hereinafter referred to as the "Business"), and the City of Hallandale Beach/Community Redevelopment Agency "CRA" (hereinafter referred to as the "CRA"), who hereby agree as follows:

WITNESSETH:

WHEREAS, On June 20, 2011, the CRA received a Business Incentive/Enticement Loan Program application, Letter of Intent and Business Plan from the Business, a new business, seeking financial assistance through the Hallandale Beach Business Incentive/Enticement Loan program; and

WHEREAS, On October 19, 2011, the City Commission approved a Business Incentive/Enticement Loan ("Loan") in the amount not to exceed \$50,000, which 15% (\$7,500) is forgivable subject to the terms of this agreement. The remaining balance of \$42,500 is repayable at 4% Interest for the Business; and

WHEREAS, the loan shall come from the Community Redevelopment Agency (CRA) Tax Increment Financing (TIF) account;

NOW, THEREFORE, in consideration of the mutual promises and other valuable considerations as shall be set out herein, the parties hereto do mutually agree to the following terms and conditions:

1. **Support:** The CRA hereby agrees to assist the Business with a loan not to exceed the amount of \$50,000 which 15% (\$7,500) may be forgiven provided the terms of the performance agreement are met. The remaining balance of \$42,500 is repayable at 4% interest over a ten (10) year period. The parties acknowledge that the amount loaned will be repayable in full to include the applicable interest, as stipulated in paragraphs (4), (9) and (10).
2. **Job Creation and Retention:** The Business hereby agrees to create a minimum of (3) new full time equivalent jobs (defined below) within 18 months from the date of contract execution with the CRA (preference will be given to City of Hallandale Beach residents). Furthermore, the Business agrees to retain its existing workforce. The Business hereby acknowledges that the funding by the CRA is predicated upon this covenant by the Business, that failure to achieve this objective will constitute a material default under the terms of this Agreement, and that any such failure shall require the Business to repay all or a portion of the support provided by the CRA pursuant to the provisions of this Performance Agreement. [For purposes of this Agreement, a "Job" shall mean a full-time job (consisting of at least 35 hours per week of employment and eligibility for all benefits generally available for full-time employees of the Business) with the Business, at a wage at least equal to minimum wage and located in the City].
3. **Verification of Jobs:** The CRA shall forgive 15% of the loan amount, subject to the business creating and retaining the required amount of full time equivalent

jobs, as outlined in paragraph 2. The Business's baseline job numbers will be verified every six (6) months by the City, through documented payroll documents and records. Once the specified number of minimum jobs, which is three (3), has been obtained within 18 months from the date of contract execution, the Business shall notify the CRA so that the department can verify satisfaction of the conditions. The Business job numbers shall be verified within six months following the creation of the minimum number of jobs required. The Business shall provide to the CRA, or their respective designees, full and complete access to all records of the Business that would be reasonably necessary to verify the number and types of jobs created, and the wages paid to employees. Failure to provide such access upon reasonable request shall constitute a default under the terms of this Agreement.

4. **Promissory Note:** The Business agrees to sign and execute a Promissory Note [Schedule "A"] hereinafter referred to as the "Note", acknowledging the value received. The Business agrees to make quarterly payments on the amount loaned at 4% interest, amortized over 10 years.
5. **Initial Installment:** The CRA hereby agrees that within thirty (30) days of the execution of this Agreement following a site visit to 303 SW 10 Terrace to ensure the business is operating within the CRA boundaries, the CRA shall make available funding to the Business in the amount not to exceed Fifty Thousand Dollars (\$50,000.00).
6. **Funding Utilization:** The Business agrees to utilize funding for developing advertising, equipment and office supplies. The funding provided by the CRA is not to be used to pay for payroll of current and future staff.
7. **Profitability:** Upon the Business obtaining profitable growth trends for four consecutive quarters, the CRA may stop loan disbursements.
8. **Loan Repayment:** The Business agrees to make quarterly payments in the amount, set forth in the "Note" and attachment Schedule "B", which is the amortized payment schedule. The Business may choose to repay the full amount at any time without penalty.
9. **Default:** If the Business fails to create the required number of jobs following the 18 month of the date of contract execution, or if the Business has created such jobs following the 18 month of contract execution, but has not maintained the required number of jobs for five (5) years, the Business shall repay to the CRA, an amount equal to the actual amount loaned which is Fifty Thousand Dollars (\$50,000) at an accelerated 7 percent interest. If a requirement exists to repay any sums hereunder, the CRA shall notify the Business in writing of the amount to be repaid, and shall direct them to pay such amount directly to the CRA. All such amounts due hereunder shall be due upon demand by the CRA. If not paid within 30 days following demand hereunder, the unpaid amount due hereunder or any instrument securing this obligation, shall bear interest at the accelerated rate of 7 percent after demand until paid. Upon default in such payment, the CRA may pursue all legal remedies to enforce their rights and remedies, and the Business hereby agrees to pay the reasonable attorney's fees for the CRA.

Should the business default on the terms of this agreement, the business must remit payment to the CRA, as noted above and the CRA shall have the right to seize all equipment purchased.

10. **Records:** The Business agrees to maintain full, accurate and verifiable records, supporting documents and all other pertinent data for this venture to enable the verification of the requirements contained in this Agreement. All such financial records, supporting documents and other pertinent records related to the Business shall be maintained for a period of at least 10 years from the date of contract execution with the CRA. In the event any such records are audited, all such records shall be retained beyond the 10-year period until any and all audit findings have been resolved. The Business agrees to make available to the CRA, or their designated representatives, all of its records which relate to the Business and the creation of jobs and agree to allow the CRA or their representatives to audit, examine and copy any and all data, documents, proceedings, records and notes of activity related in any way to the Business or such job creation. Access to these records shall be allowed upon request at any time during normal business hours and as often as the CRA or said representatives may deem necessary.
11. **Bank Statements Verification:** The Business shall submit its business checking and saving account statements on quarterly basis, whereby the CRA will verify the usage of the funding as outlined in paragraph 6. The business will be in default of this agreement, should the business not adhere to paragraph 6.
12. **Vendor Selection:** The Business agrees to hire and work with local vendors for the procurement of products and services, to the greatest extent possible.
13. **Lease Agreement:** The Business agrees to maintain the facility, located at 303 SW 10 Terrace, as its primary business location or another facility within the CRA boundaries. The Business is also responsible for maintaining the proper licensure, business/property insurance, etc., in addition, to adhering to all applicable City Code of Ordinances. The Business agrees to provide the CRA with a new and/or renewed lease agreements or amended version thereof.
14. **Performance Review:** The Business shall submit the CRA with a bi-annual performance review, to include a profit loss statement completed by a certified accountant.
15. **Advertisers:** The Business agrees to utilize local media and print companies to assist in expanding the Business market presence throughout the City of Hallandale Beach.
16. **Representations and Warranties:** The Business hereby represents and warrants that:
 - (a) It is duly incorporated under the laws of the State of Florida.
 - (b) The execution and delivery of this Agreement has been duly authorized by all necessary action, and are not in contravention of law nor in contravention of any certificate of authority, bylaws, or other applicable

organizational documents of such party, nor the provisions of any indenture, agreement, or undertaking to which it is a party or by which it is bound.

- (c) There is no action, suit, proceeding, or investigation at law or in equity for any court, public board, or body pending, or to such party's knowledge, threatened against or affecting it, that could or might adversely affect the Business, the creation of the Jobs, or any of the transactions contemplated by this Agreement, or the validity or enforceability of this Agreement or such party's ability to discharge its obligations under this Agreement. If it is subsequently found that an act, suit, proceeding or investigation did or could threaten the development of the Business or the creation of such jobs, such party shall be liable to the CRA for repayment of the entire amount described in Paragraph 9 above.
- (d) Such party shall at all times preserve its legal existence, except that it may merge or consolidate with or into or sell all or substantially all of its assets to any entity that expressly undertakes, assumes for itself, and agrees in writing to be bound by all of the obligations and undertakings of such party contained in this Agreement. If such party so merges, consolidates, or sells its assets without signing the aforementioned agreement, such party agrees to repay to the CRA the full amount of sums advanced under this Agreement, to include the accelerated interest rate of 7 percent.
- (e) No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Agreement by such party or the performance of any of its obligations hereunder, or all such requisite governmental consents or approvals have been obtained. Such party shall provide the CRA with evidence of the existence of any such necessary consents or approvals at the time of the execution of this Agreement.
- (f) The Business is solvent.

17. Special Provisions and Conditions:

- (a) **Nondiscrimination.** The Business agrees not to discriminate on the basis of race, color, national origin, sex, religion, age, marital status, political affiliation, disability, or sexual orientation in the performance of this agreement, the solicitation for or purchase of goods or services relating to this agreement, or the subcontracting of work in the performance of this agreement. Failure to comply with this requirement is a material breach of the agreement, which may result in the termination of this agreement or such other remedy as the CRA deems appropriate.
- (b) **Compliance with Laws.** The Business shall at all times comply with all laws, ordinances, and regulations of the State, Federal and Local

Governments which may in any manner affect the performance of the Agreement.

- (c) **Non-Assignability.** The Business shall not assign any interest in the Agreement, nor should they transfer any interest in the same, without the written consent of the CRA; provided however, that claims for money due to the Business from the CRA due under this Agreement may be assigned to any commercial bank or other financial institution without such approval.
- (d) **Notice.** All notices required or permitted hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States Mails, certified, return receipt requested, postage prepaid, and addressed as follows: **CITY OF HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, 400 S. FEDERAL HIGHWAY HALLANDALE BEACH, FL 33009.**
- (e) **Execution.** This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same Agreement which shall be sufficiently evidenced by one of such original counterparts.
- (f) **Construction.** This Agreement shall be construed and governed by the laws of the State of Florida.

18. JURISDICTION, VENUE, WAIVER OF JURY TRIAL: This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. All parties agree and accept that jurisdiction of any controversies or legal problems arising out of this Agreement, and any action involving the enforcement or interpretation of any rights hereunder, shall be exclusively in the state courts of the Seventeenth Judicial Circuit in Broward County, Florida, and venue for litigation arising out of this Agreement shall be exclusively in such state courts, forsaking any other jurisdiction which either party may claim by virtue of its residency or other jurisdictional device. BY ENTERING INTO THIS AGREEMENT, BUSINESS AND CRA HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS AGREEMENT.

19. INDEMNIFICATION: BUSINESS shall at all times hereafter indemnify, hold harmless and, at the CRA Attorney's option, defend or pay for an attorney selected by the CRA Attorney to defend CITY/CRA, its officers, agents, servants, and employees from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney fees, court costs, and expenses, caused or alleged to be caused by intentional or negligent act of, or omission of, CRA or BUSINESS, their employees, agents, servants, or officers, or accruing, resulting from, or related to the subject matter of this Agreement including, without limitation, any and all claims, losses, liabilities, expenditures, demands or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property. In the event any lawsuit or other proceeding

is brought against CRA/CITY by reason of any such claim, cause of action or demand, BUSINESS shall, upon written notice from CRA, resist and defend such lawsuit or proceeding by counsel satisfactory to CRA or, at CRA'S option, pay for an attorney selected by CRA Attorney to defend CRA/CITY. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the Contract Administrator and the CRA Attorney, any sums due BUSINESS under this Agreement may be retained by CRA until all of CRA'S claims for indemnification pursuant to this Agreement have been settled or otherwise resolved; and any amount withheld shall not be subject to payment of interest by CRA.

- 20. AUDIT RIGHT AND RETENTION OF RECORDS:** CRA shall have the right to audit the books, records, and accounts of BUSINESS and its SUBBUSINESSES that are related to this Project. BUSINESS and its SUBBUSINESSES shall keep such books, records, and accounts as may be necessary in order to record complete and correct entries related to the Project. All books, records, and accounts of BUSINESS and its SUBBUSINESSES shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, BUSINESS or its SUBBUSINESSES, as applicable, shall make same available at no cost to CITY in written form.

BUSINESS and its SUBBUSINESSES shall preserve and make available, at reasonable times for examination and audit by CRA, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period of the Florida Public Records Act, Chapter 119, Florida Statutes, as may be amended from time to time, if applicable, or, if the Florida Public Records Act is not applicable, for a minimum period of three (3) years after termination of this Agreement. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or three (3) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. If the Florida Public Records Act is determined by CRA to be applicable to BUSINESS's and its SUBBUSINESSES' records, BUSINESS and its SUBBUSINESSES shall comply with all requirements thereof; however, no confidentiality or non-disclosure requirement of either federal or state law shall be violated by BUSINESS or its SUBBUSINESSES. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for CRA disallowance and recovery of any payment upon such entry.

BUSINESS shall, by written contract, require its SUBBUSINESSES to agree to the requirements and obligations of this Section.

- 21. INDEPENDENT BUSINESS:** BUSINESS is an independent BUSINESS under this Agreement. Services provided by BUSINESS pursuant to this Agreement shall be subject to the supervision of BUSINESS. In providing such services, neither BUSINESS nor its agents shall act as officers, employees, or agents of CRA. No partnership, joint venture, or other joint relationship is created hereby. CRA does not extend to BUSINESS or BUSINESS's agents any authority of any kind to bind CRA in any respect whatsoever.
- 22. THIRD PARTY BENEFICIARIES:** Neither BUSINESS nor CRA intends to directly or substantially benefit a third party by this Agreement. Therefore, the parties agree

that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a right or claim against either of them based upon this Agreement.

23. **MATERIALITY AND WAIVER OF BREACH:** CRA and BUSINESS agree that each requirement, duty, and obligation set forth herein was bargained for at arms-length and is agreed to by the parties in exchange for quid pro quo, that each is substantial and important to the formation of this Agreement and that each is, therefore, a material term hereof.
24. CRA's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.
25. **SEVERANCE:** In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective unless CRA or BUSINESS elects to terminate this Agreement. An election to terminate this Agreement based upon this provision shall be made within seven (7) days after the finding by the court becomes final.
26. **JOINT PREPARATION:** Each party and its counsel have participated fully in the review and revision of this Agreement and acknowledge that the preparation of this Agreement has been their joint effort. The language agreed to expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.
27. **AMENDMENTS:** No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the CRA and BUSINESS or others delegated authority to or otherwise authorized to execute same on their behalf.
28. **PRIOR AGREEMENTS:** This document represents the final and complete understanding of the parties and incorporates or supersedes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein. The parties agree that there is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.
29. **REPRESENTATION OF AUTHORITY:** Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and

appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

- 30. MULTIPLE ORIGINALS:** Multiple copies of this Agreement may be executed by all parties, each of which, bearing original signatures, shall have the force and effect of an original document.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: CITY OF HALLANDALE BEACH through its authorization to execute same by Community Redevelopment Agency (CRA) Board of Directors, signing and through City Manager, duly authorized to execute same, and

CITY

ATTEST:

CITY OF HALLANDALE BEACH

CITY CLERK

By _____
Mark Antonio, City Manager

Approved as to legal sufficiency and form by

CITY ATTORNEY

Gray Robinson, P.A.

WITNESSES:

(PRINT NAME)
Inc.

CEO of High Tech Video Security International,

NOTARY SEAL

**PROMISSORY NOTE FOR HIGH TECH VIDEO SECURITY INTERNATIONAL
BUSINESS INCENTIVE/ENTICEMENT LOAN PROGRAM**

Schedule "A"

Date: October __, 2011

Amount: **\$ 50,000.00**

FOR VALUE RECEIVED, the undersigned ("Maker") promises to pay to the order of the Hallandale Beach Community Redevelopment Agency ("CRA" or "Lender") the total sum of Fifty Thousand Dollars **\$50,000.00**, of which Seven Thousand Five Hundred Dollars **(\$7,500.00)** will be waived on the Maturity Date (defined below) provided that an event of default has not occurred, as an incentive in exchange for this 10-year Promissory Note and pursuant to the Performance Agreement between the parties of even date herewith (the "Agreement"), the terms of which are incorporated by reference herein. The total of Forty Two Thousand Five Hundred Dollars **(\$42,500.00)** represents the unpaid principal balance to be amortized over 10 years at four (4%) percent per annum for a total amortized balance of Fifty One Thousand Seven Hundred Seventy Four Dollars and Fifty Seven Cents **\$51,637.57**. Notwithstanding anything in the Note and Performance Agreement to the contrary, payment of principal and interest shall be due and owing upon the execution of this instrument. The principal and interest due under this Note is payable quarterly on the first day of each quarter, commencing per the terms and conditions of the administrative policy.

1. The entire outstanding principal balance and all accrued but unpaid interest shall be due and payable on or before October 19, 2021 (the "Maturity Date").

2. Business shall make any and all payments at the office of: **Finance Department, City of Hallandale Beach, 400 South Federal Highway, Hallandale Beach, Florida 33009.**

3. Amount of Quarterly Payments on **\$42,500.00** at 4% interest is **\$1,294.36**. Payments are required under this Note and/or the Mortgage bearing even dates. This amount and schedule shall be in accordance with the amortization schedule attached hereto as Schedule "B". All payments due hereunder shall be made by Maker on the dates set forth above without a payment and/or interest statement. The Lender's failure to provide Maker with a payment and/or interest statement shall in no way affect or limit Maker's obligations to pay such amounts in accordance with the terms and conditions set forth herein.

4. The proceeds of this Loan shall be applied by Maker solely and exclusively as set forth in the Agreement. Upon request of Lender, Maker shall forthwith furnish proof of compliance with the foregoing. If in the judgment of Lender, Maker has failed to comply with the foregoing, Lender, at its option, may declare the Loan immediately due and payable.

5. This Note may be prepaid in part or in full at any time without premium or penalty.

6. Interest hereunder shall be computed on the basis of a 360-day year for the actual number of days in the interest period.

7. All payments of principal and interest shall be made in lawful money of the United States which shall be legal tender in payment of all debts, public and private, at the time of payment.

8. The following shall constitute an "Event of Default" under this Note:

- (a) Maker fails to pay any amounts owed pursuant to this Note within five (5) days after such payment is due; and/or
- (b) An event of default exists under the Agreement.

So long as an Event of Default remains outstanding: (i) interest shall accrue at seven percent (7%) (the "Default Rate") and, to the extent not paid when due, shall be added to the unpaid principal amount of this Note; and (ii) Lender may, at its option and without notice (such notice being expressly waived) declare the entire unpaid principal balance immediately due and payable. Lender's right, remedies and powers as provided in this Note are cumulative and concurrent, and may be pursued singly, successively or together against Maker, any guarantor(s) hereof and any security given at any time to secure the payment hereof, all at the sole discretion of Lender. Additionally, the Lender may resort to every other right or remedy available at law or in equity without first exhausting the rights and remedies contained herein, all in Lender's sole discretion. Failure of the Lender for any period of time or on more than one occasion, to exercise its option to accelerate the Maturity Date shall not constitute a waiver of the right to exercise the same at any time during the continued existence of an Event of Default or any subsequent Event of Default.

9. All costs incurred by Lender in enforcing this Note and in collection of sums due Lender from Maker including, without limitation, attorneys' fees and costs through all trials, appeals and proceedings to include, without limitation, any proceedings pursuant to the bankruptcy laws of the United States, shall be paid by Maker. Any and all amounts due Lender from Maker hereunder shall include interest thereon at the Default Rate. Interest shall start to accrue ten (10) days following demand for payment by Lender and shall continue to accrue until the date all outstanding amounts are paid by Maker.

10. Each maker, endorser and guarantor or any person, firm or corporation becoming liable under this Note hereby consents to any extensions or renewals of this Note or any part thereof, without notice, and agrees that they will remain liable under this Note during any extensions or renewals thereof, until the debts represented hereby are paid in full.

11. Nothing herein contained, nor in any instrument or transaction related hereto, shall be construed or so operate as to require Maker, or any person liable for the payment of the loan made pursuant to this Note, to pay interest in an amount or at a rate greater than the highest rate permissible under applicable law as amended from time to time. Should any interest or other charges paid by Maker, or any parties liable for the payment of the loan made pursuant to this Note, result in the computation or earning of interest in excess of the highest rate permissible under applicable law, then any and all such excess shall be applied to the unpaid principal amount of this Note (whether or not due and payable), and not to the payment of interest, or, if the unpaid principal amount has been paid in full, then any excess is hereby waived by Lender, and shall be refunded to Maker and any parties liable for the payment of the Loan made pursuant to this Note, it being the intent of the parties hereto that under no circumstances shall Maker, or any parties liable for the payment of the loan hereunder, be required to pay interest in excess of the highest rate permissible under applicable law as amended from time to time. By operation of Section 687.12,

Florida Statutes, the interest rate charged under this Note is authorized by Chapter 665, Florida Statutes, and applicable federal law.

12. Maker, for itself and all endorsers, guarantors, and sureties of this Note, and each of them, and their heirs, legal representatives, successors and assigns, respectively hereby waives presentment for payment, demand, notice of nonpayment, notice of dishonor, protest of any dishonor, notice of protest and protest of this Note, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note, and agrees that its liability shall be unconditional and without regard to the liability of any other party and shall not in any manner be affected by any indulgence, extension of time, renewal, waiver or modification granted or consented to by the Lender. Maker, for itself and all endorsers, guarantors, and sureties of this Note, and each of them, and their heirs, legal representatives, successors and assigns, respectively hereby consents to every extension of time, renewal or waiver or modification that may be granted by Lender with respect to the payment or other provisions of this Note, and to the release of any makers, endorsers, guarantors, or sureties, or any collateral that may be given to secure the payment hereof, or any part hereof, with or without substitution, and agrees that additional makers or guarantors or endorsers may become parties hereto without notice to Maker and without affecting the liability of Maker hereunder.

13. This Note may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

14. Documentary stamps in the amount required by law for the full amount of the Loan have been paid by maker are attached to this Note and are hereby cancelled. Maker shall pay all intangible tax due with respect to this Note as such becomes due. Maker hereby agrees to defend, indemnify and hold Lender harmless from and against the payment of any and all documentary stamp tax and/or intangible tax due to the State of Florida or any department or agency thereof in connection with this Note, together with all interest, fines, penalties, costs or other charges thereon, regardless of when, or the party against whom, the same may be assessed or imposed. In the event a documentary stamp tax and/or intangible tax assessment is made against either or both of the parties hereto, the Maker shall pay the full amount of such assessment before a warrant for the collection of the same is issued by the Department of Revenue. The Maker shall not contest or otherwise challenge the assessment except in connection with a request for a refund in accordance with the applicable regulations adopted by the Department of Revenue. Maker waives any defense to an action by Lender to enforce the loan or collect the indebtedness evidenced by this Note upon the nonpayment of the documentary stamp tax as provided in Section 201.08(l), Florida Statutes.

15. Every provision of this Note is intended to be severable. If any term or provision hereof is declared by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

16. Time is of the essence of this Note and the performance of each of the covenants and agreements contained herein.

17. This Note shall be governed by the laws of the State of Florida. Venue for any litigation arising hereunder shall be in Broward County, Florida.

18. This Note is duly filed for record in the Public Records of Broward County, Florida, with a property address of **303 SW 10 Terrace, Hallandale Beach, FL 33009**, to wit:

Legal Description:

WEDGEWOOD BUSINESS PARK CONDO UNIT 303

Folio Numbers: 5142 28 AE 0020

19. BY EXECUTION HEREOF, MAKER AGREES THAT NEITHER MAKER, NOR ANY ASSIGNEE OR SUCCESSOR OF MAKER, SHALL SEEK A TRIAL BY JURY WITH RESPECT TO ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER LITIGATION BASED UPON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE OR OTHER INSTRUMENTS OR AGREEMENTS EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING, WHETHER IN CONNECTION WITH THE MAKING OF THE LOAN, COLLECTION OF THE LOAN, OR OTHERWISE. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY NEGOTIATED BY THE PARTIES WITH LENDER, AND ARE A MATERIAL INDUCEMENT FOR THE LENDER IN MAKING THE LOAN EVIDENCED BY THIS NOTE. THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. LENDER HAS IN NO WAY AGREED WITH OR REPRESENTED TO MAKER, ANY GUARANTOR, OR ANY OTHER PARTY THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date set forth above.

CITY

ATTEST:

CITY OF HALLANDALE BEACH

CITY CLERK

By _____
Mark Antonio
City Manager

Approved as to legal sufficiency and form by

CRA ATTORNEY

Gray Robinson, P.A.

BUSINESS:

HIGH TECH VIDEO SECURITY INTERNATIONAL

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
) ss
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this October 19, 2011 by _____
_____, as _____ of CEO of High Tech Video Security
International Inc., on behalf of the corporation, who (check one) [] is personally known to me
or [] who produced a Florida driver's license as identification.

Notary Public

539076 v2

PERSONAL GUARANTY

This GUARANTY AGREEMENT, (“Guaranty”), dated as of October 19, 2011, is made Leo Killian, (the “Guarantor”), in favor of the CITY OF HALLANDALE BEACH (the “City”).

RECITALS

WHEREAS, the City is willing to approve the loan to High Tech Video Security International, Inc. (HTVSI) only if and on the condition that the Guarantor, Leo Killian, executes and delivers this Guaranty Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, the parties hereby agree as follows:

1. **GUARANTY.** The Guarantor hereby unconditionally and irrevocably guarantees the full and prompt payment when due of any and all amounts due and payable under the Promissory Note and/or Performance Agreement.
2. **OBLIGATIONS PAID IN ACCORDANCE WITH TERMS HEREOF.** The Guarantor guarantees that each payment under the Note and/or Performance Agreement shall be paid in accordance with the terms and provisions thereof without regard to any applicable law now or hereafter in affect in any jurisdiction that might in any manner affect any of such terms or provisions or the rights of the City of Hallandale Beach with respect hereto.
3. **ENFORCEMENT OF GUARANTY.** On the date on which the Payment is due and payable by HTVSI, the City, in its sole discretion, may proceed directly against the Guarantor to exercise any right or remedy that the City may have under this Guaranty without pursuing or exhausting any other right or remedy that the City may have against the Company.
4. **GUARANTY ABSOLUTE.** The obligations of the Guarantor hereunder shall be absolute and unconditional irrespective of the validity, legality or enforceability of the Promissory Note and/or Performance Agreement or any event that might otherwise constitute a legal or equitable discharge of a guarantor, and shall not be subject to any defense, counterclaim, setoff, recoupment, abatement, reduction or other determination that the Guarantor or the Company may have against the City, it being agreed that the agreements and liabilities of the Guarantor hereunder shall not be discharged except by payment or as otherwise expressly provided in this Guaranty. The Guarantor acknowledges that there are no conditions precedent to the effectiveness of this Guaranty and that this Guaranty is in full force and effect and is binding on the Guarantor as of the date written above.
5. **WAIVER.** The Guarantor hereby waives notice of acceptance of this Guaranty and of any action taken or omitted in reliance thereon. The Guarantor waives any

right to require the City to: (a) proceed against any person, including the HTVSI, or its successor in interest, (b) proceed against or exhaust any collateral held from the HTVSI, or any other person; (c) pursue any other remedy in the City's power; or (d) make any presentments, demands for performance, or give any notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any obligations or evidences of the payments under the Note guaranteed hereunder.

6. CONTINUING GUARANTY OF PAYMENT. The Guarantor hereby represents and agrees that this is a present and continuing guaranty of payment and that this Guaranty (a) shall be binding upon the Guarantor and its respective successors and assigns and (b) shall inure to and shall be enforceable by the City and its successors, transferees and assigns.

7. REPRESENTATIONS, WARRANTIES, AND COVENANTS. The Guarantor hereby represents, warrants and covenants to the City that:

NO BREACH. The execution and delivery of this Guaranty by the Guarantor will not result in any breach of or default under any provision of any contract or agreement of any kind to which the Guarantor's assets or properties are subject.

DUE AUTHORIZATION; ENFORCEABILITY. The execution of this Guaranty has been duly authorized by all required action of the Guarantor and this Guaranty constitutes a valid, legal and binding guaranty of the Guarantor, enforceable in accordance with its terms.

8. MISCELLANEOUS.

GOVERNING LAW. This Guaranty is governed by and construed in accordance with the laws of the State of Florida, without reference to conflicts of laws. It is hereby agreed venue shall be in Broward County, Florida. Trial by jury is hereby waived.

COSTS, EXPENSES AND ATTORNEY'S FEES. All costs and expenses, including reasonable attorney's fees, made or incurred by the City in enforcement of this Guaranty or in the collection of any of the payments under the Note shall be paid by the Guarantor immediately upon demand.

NOTICES. Any notice, request, demand or other communication permitted or required to be given shall be in writing, shall be signed by the party giving it, shall be sent to the addressee at the address set forth below (or at such other address as shall be designated hereunder by notice to the other parties and persons receiving copies). The addresses of the parties are as follows:

(a) If to the City, at the following address: 400 South Federal Highway
Hallandale Beach, FL 33009

(b) If to Guarantor, at the following address: 303 SW 10 Terrace
Hallandale Beach, FL 33009

ENTIRE AGREEMENT. This Guarantor contains all the terms and conditions of the entire agreement between the City and the Guarantor relating to the subject matter hereof.

COUNTERPARTS. This Guaranty may be executed in one or more counterparts, and by facsimile, each of which may be executed by one or more of the parties thereto, but all of which, when taken together, shall constitute one agreement.

NO WAIVER BY ACTION, ETC. The failure or delay of a party at any time or times to require performance of, or to exercise its rights with respect to any representation, warranty or other provision of this Guaranty in no manner (except as otherwise expressly provided herein) shall affect its right at a later time to enforce any such provision.

AMENDMENTS. This Guaranty may not be amended, modified, waived or assigned except by a writing signed by the City and Guarantor.

IN WITNESS WHEREOF, each of the parties hereto has caused this Guaranty to be executed and delivered as of the date set forth above.

Signed, sealed and delivered in the presence:

Witness

Guarantor: Leo Killian

Witness

STATE OF FLORIDA)
) ss
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me this October 19, 2011 by Leo Killian, who is ___ personally known to me or who produced Drivers' Licenses as identification.

Notary Public