

# H O N E Y W E L L

I N C.

May 16, 1966

Statitrol Corporation  
1030 West Ellsworth  
Denver, Colorado

Attention: Mr. D. D. Pearsall, President

Gentlemen:

Subject to the execution of a mutually satisfactory contract delineating the precise bounds of our respective obligations, Honeywell Inc. is pleased to advise you that it intends to issue a purchase order to Statitrol Corporation for a minimum of 30,000 fire detector units, to be delivered over a 3-year period commencing with the granting of U.L. listing of the self-switching device, at prices set forth in the attached schedule.

It is understood that Honeywell is to have the exclusive right to use and sell all fire detection equipment of the Series 400 type as well as those devices produced under the Blackwell patent. The devices to be delivered are to comply with specifications to be mutually agreed upon by Statitrol and Honeywell. It is contemplated that 7,000 units will be delivered to Honeywell during the first contract year, and that 10,000 units will be delivered during the second contract year and 13,000 units will be delivered during the third contract year.

As part of the overall agreement, Honeywell agrees to appoint Statitrol its exclusive agent for the sale of the devices on the attached schedule to original equipment manufacturers. In this regard Honeywell agrees to sell devices to Statitrol for the same price these devices are sold by Honeywell to its branches, less 5%. It is specifically agreed that Honeywell will in no way control the prices charged by Statitrol to OEMs for these devices. However, no customer of Statitrol shall be classed as an OEM and be entitled to purchase from Statitrol until it agrees to purchase 500 units per year. Statitrol agrees to purchase, for sale to OEMs, at least 3,000 units during the first contract year, 3,500 units during the second contract year and 5,500 units during the third contract year.

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It is agreed that the order shall be voidable by Honeywell if U.L. approval of Statitrol's self-switching ionization fire detector is not forthcoming by April 1, 1967.

Very truly yours,

HONEYWELL INC.

By S. J. Nelson  
Vice President  
Commercial Division

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Enclosure

# PRICE LIST SCHEDULE

## STATITROL DEVICES

<u>Device</u>	<u>Price to Honeywell</u>	<u>No. of Fire Detector Units</u>
Series 400 Items		
A-404 Panel	\$170.40	1
A-403 Det. Clg. Type	36.00	1
A-405 Det. Duet Type	48.00	1
Two zone panel	232.00	2
Three zone panel	312.00	3
Four zone panel	410.00	4
Five zone panel	540.00	5
Six zone panel	640.00	6
Self Switching Det.	50.00	1