

PERFORMANCE GUARANTEE

This Performance Guarantee, dated as of December 9, 2010 (this "Guarantee") is made by **RURAL/METRO CORPORATION**, a Delaware corporation (the "Guarantor"), in favor of **THE COUNTY OF SANTA CLARA**, a political subdivision of the State of California (the "County").

WHEREAS, the County and Rural/Metro of California, Inc., a Delaware corporation, ("Rural/Metro") are entering into that certain Emergency Medical Services Agreement (the "Agreement") dated as of _____, pursuant to which Rural/Metro has offered to provide certain services to the County as more particularly set forth in the Agreement (the "Services"), and the County has agreed to receive the Services from Rural/Metro;

WHEREAS, it is a condition to the effectiveness of the Agreement that the Guarantor execute and deliver this Guarantee, guaranteeing Rural/Metro's obligations under the Agreement;

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees as follows:

Section 1. Guarantee. The Guarantor hereby unconditionally and irrevocably (i) guarantees the due performance and observance of all of the terms, conditions and covenants of Rural/Metro under the Agreement (collectively, the "Obligations") strictly in accordance with the terms thereof, and (ii) covenants and agrees with the County that if for any reason whatsoever Rural/Metro shall fail to so perform and observe any of the Obligations, the Guarantor will duly and punctually perform and observe the same.

Section 2. Guarantee Unconditional. The obligations of the Guarantor hereunder shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, limited or otherwise affected by (and the Guarantor hereby waives, to the fullest extent permitted by applicable law) any act or omission to act or delay of any kind by Rural/Metro, the County or any other person or any other circumstance whatsoever (including the bankruptcy of Rural/Metro), which might, but for the provisions of this Section, constitute a legal or equitable discharge, limitation or reduction of the Guarantor's obligations hereunder. This Guarantee shall continue to be effective or be automatically reinstated, as the case may be, if at any time any payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the County for any reason whatsoever, whether upon insolvency, bankruptcy, dissolution, liquidation or reorganization of the Guarantor, all as though such payment had not been made, and the Guarantor agrees that it will indemnify the County on demand for all reasonable costs and expenses (including, without limitation, reasonable fees and disbursements of counsel) incurred by the County in connection with such rescission or restoration.

Section 3. Corporate Authority. The County may rely upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties of Rural/Metro or the Guarantor in connection with the Agreement and this Guarantee. The County may accept a copy of a resolution of the board of directors or other governing body of

Rural/Metro, certified by the President, Treasurer or Secretary of Rural/Metro, as conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter the method of determination of which is not specifically prescribed herein, the County may for all purposes hereof rely on a certificate, signed by a duly appointed officer of Rural/Metro or the Guarantor in connection with the Services contemplated by the Agreement, and this Guarantee and with respect to the Obligations contemplated hereby or thereby, as evidenced by the incumbency certificate, as to such fact or matter and such certificate shall constitute full protection to the County for any action taken or omitted to be taken by it in good faith in reliance thereon.

Section 4. Recourse against Rural/Metro.

(a) Notwithstanding anything to the contrary herein, the County shall not be required to exhaust its recourse against Rural/Metro or under any other security or guarantee before being entitled to performance by the Guarantor under this Guarantee.

(b) Each of the obligations of the Guarantor under this Guarantee is separate and independent of each other obligation of the Guarantor under this Guarantee and separate and independent of the Obligations, and the Guarantor agrees that a separate action or actions may be brought and prosecuted against the Guarantor to enforce this Guarantee, irrespective of whether any action is brought against Rural/Metro or Rural/Metro is joined in any such action or actions.

Section 5. No Subrogation. Until all the Obligations have been performed, the Guarantor will have no right of subrogation to, and waives, to the fullest extent permitted by law, any right to enforce any remedy which the County now has or may hereafter have against Rural/Metro in respect to the Obligations; and the Guarantor waives any benefit of and any right to participate in, any security now or hereafter held by the County for the Obligations.

Section 6. Representations and Warranties. The Guarantor represents and warrants to the County, upon each of which representations and warranties the County specifically relies as follows:

(a) Good Standing, etc. The Guarantor is a corporation duly incorporated and validly existing under the laws of the State of Delaware. The Guarantor is duly authorized and licensed to carry on its businesses as presently owned and carried on by it. The Guarantor has the necessary power and authority to enter into and perform its obligations hereunder,

(b) Burdensome Provisions, etc. The Guarantor is not a party to any agreement or instrument, or subject to any corporate restriction or any judgment, order, writ, injunction, decree, award, rule or regulation, which precludes its ability to issue this Guarantee or to perform its obligations under this Guarantee.

(c) Consents. No consent, approval or authorization of, or declaration, registration, filing or qualification with, or giving of notice to, or taking of any other action, in respect of any person, governmental authority or agency is required on the part of the Guarantor in connection with the execution and delivery and enforcement of this Guarantee.

(d) Due Execution, etc. This Guarantee has been duly executed and delivered by the Guarantor and constitutes a valid and binding obligation of the Guarantor enforceable in accordance with its terms.

(e) No Default, etc. Neither the execution nor the delivery of this Guarantee, conflicts with or will conflict with, or results or will result in, any breach of, or constitutes a default under any of the provisions of the Articles of Incorporation or Bylaws of the Guarantor or of any agreement or instrument to which the Guarantor is a party or by which the Guarantor is bound, or to which any of its property or assets are subject or results or will result in the contravention of any law, rule, regulation or court or administrative order to which the Guarantor or its property or assets are subject.

(f) No Proceedings, etc. There are no proceedings pending or contemplated for the merger, consolidation, sale, liquidation, dissolution or bankruptcy of the Guarantor.

Section 7. Termination. This Guarantee shall terminate on the fulfillment of all of the Obligations.

Section 8. Further Assurances. The Guarantor shall, from time to time, do and perform any and all acts and execute any and all further instruments which may be required or which may be reasonably requested by the County more fully to effect the purpose of this Guarantee.

Section 9. Payments. All payments to be made by the Guarantor under this Guarantee shall be made in full, without set-off or counterclaim and without deduction for any taxes, levies, duties, fees, deductions, withholdings, restrictions or conditions of any nature whatsoever.

Section 10. Costs and Expenses. The Guarantor shall pay all reasonable out-of-pocket costs and expenses of the County (including the reasonable fees and disbursements of counsel) in connection with the enforcement of the obligations of the Guarantor under this Guarantee or any related document. The Guarantor agrees to indemnify and hold harmless the County from and against any and all liability incurred by the County or its nominee or agent or any of its employees hereunder or in connection herewith, including the enforcement of this Guarantee; provided, however, that the Guarantor shall have no such obligation in connection with any action brought by the County against the Guarantor to the extent that the Guarantor is the prevailing party in the judgment rendered in any such action.

Section 11. Governing Law. This Guarantee shall be governed by, and construed in accordance with, the laws of the State of California.

Section 12. No Waiver, Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the County, any right, remedy, power or privilege hereunder, shall operate as a waiver hereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 13. Amendments. Any provision of this Guarantee may be amended or waived if but only if, such amendment or waiver is in writing and is signed by the Guarantor and the County.

Section 14. Notices. All communications and notices pursuant hereto shall be in writing (including bank wire, telex, telecopier, electronic facsimile transmission or similar writing) and shall be given to any party at its address or facsimile number set forth below or at such other address or facsimile number as such party may hereafter specify for the purpose of notice to the other. Each such notice or other communication shall be effective (i) if given by facsimile, when such facsimile is transmitted to the facsimile number specified in this Section and the receipt thereof is confirmed, or (ii) if given by any other means, when received at the address specified in this Section.

If to the Guarantor:

Rural/Metro Corporation
9221 E. Via de Ventura
Scottsdale, AZ 85258
Attention: Office of General Counsel
Facsimile: 480-606-3422

If to the County:

The County of Santa Clara
c/o EMS Director
976 Lenzen Avenue, Suite 1200
San Jose, California 95126
Facsimile: (408) 885-3538

Section 15. Successors and Assigns. This Guarantee shall be binding upon the Guarantor and its successors and assigns and inure to the benefit of the County and its successors and permitted assigns. This Guarantee shall extend to any person acquiring, or from time to time carrying on, the business of Rural/Metro. The Guarantor may not assign any of its obligations under this Guarantee without the prior written consent of the County.

Section 16. Jurisdiction and Venue. The Guarantor hereby irrevocably submits to the jurisdiction of any court sitting in Santa Clara County, California in any action or proceeding arising out of or relating to this Guarantee, and the Guarantor hereby irrevocably agrees that all claims in respect of such action or proceeding shall be heard and determined in such court. The Guarantor hereby irrevocably waives, the forum non conveniens defense to the maintenance of such

action or proceeding. The Guarantor agrees that a final judgment in any action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 17. Entire Agreement. This Guarantee contains the entire agreement between the parties related to the subject matter hereof and supersedes all prior and contemporaneous agreements, term sheets, commitments, understandings, negotiations and discussions, whether oral or written. There are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein.

Section 18. Failure to Perform. If the Guarantor fails to perform any of its agreements or obligations hereunder, the County may (but will not be required to) itself perform, or cause to be performed, such agreement or obligation, and the reasonable expenses of the County incurred in connection therewith will be payable by the Guarantor.


Section 19. Severability. If one or more of the covenants, agreements, provisions or terms of this Guarantee shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions or terms of this Guarantee.

Section 20. References to "Person". Any reference in this Guarantee to a "person" means and includes an individual, a partnership, a corporation, a joint stock company, a trust, an unincorporated association, a limited liability company, a joint venture or other entity, or a government or any agency or political subdivision thereof.

Section 21. Headings. The headings of the Sections herein are for convenience of reference only and shall not limit any of the terms or provisions hereof.

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first above written.

RURAL/METRO CORPORATION

By: 
Name: Michael P. DiMino
Its: CEO and President

Approved

