

TERMS AND CONDITIONS

1. DEFINITIONS

ALARMPATH, INC. is the provider of the Wireless Alarm Network services described herein. ALARMPATH, INC., and/or its assigns, shall be referred to herein as "ALARMPATH". The term "SUBSCRIBER" shall mean the person or entity whose premise is using ALARMPATH services. The term "DEALER" shall mean the entity which installs and services equipment at the SUBSCRIBER'S premise. The DEALER shall sell ALARMPATH Network services to SUBSCRIBERS. The term "CENTRAL STATION" shall mean the monitoring station responding to the premise alarm signal.

2. PURPOSE

This agreement sets forth the terms and conditions upon which ALARMPATH will provide Wireless Alarm Network services to the DEALER. ALARMPATH is to receive radio frequency signals from wireless subscriber unit installed by the DEALER located at SUBSCRIBER'S premise. ALARMPATH will process these received wireless alarm signals and relay certain specific signals to the DEALER's Central Station Digital Receiver. The relaying of these signals will be accomplished using Digital Dialer Emulation, whereby ALARMPATH's automated processing system connects to the DEALER's Central Station Digital Receiver and downloads the codes designated by the DEALER. Identical repeated signals within a 15-minute period will not be downloaded.

3. BACKUP SECURITY

It is understood that the service provided is that of wireless backup to an alarm system's telephone line based digital dialer. The DEALER acknowledges there are certain limitations in providing wireless signal services and such limitations are inherent with such wireless systems. It is recognized that RF interference may affect the transmission of a SUBSCRIBER's signal to receiving sites employed by ALARMPATH on occasion, and that damage could occur to these receiving sites, or other related equipment that could temporarily result in the absence of service. Additionally, during routine maintenance to receiving equipment, service may be temporarily interpreted. ALARMPATH relies upon third party network providers; as such no guarantee can be made as to network coverage, down time and future network coverage availability. The DEALER assumes and accepts such risk and the consequences of such and agrees to indemnify and hold ALARMPATH harmless from any and all claims, including third party claims as a result of the absence of service.

4. NOTIFICATION

The DEALER shall advise anyone using this service at the time it undertakes to provide the service that there are certain unavoidable limitations in providing wireless signal services and such limitations are inherent with such systems and that ALARMPATH does not insure, guarantee, or warrant to the DEALER or SUBSCRIBERS that by subscribing to this service the SUBSCRIBER's security system will function as intended and that ALARMPATH's service is being provided upon the express understanding and condition that ALARMPATH is not an insurer or guarantor of the performance of any security system and that it has expressly denied and disclaimed any representations or intent on the part of ALARMPATH that will enable the DEALER to provide a service that will meet any specific standard for a security system. The DEALER will have the SUBSCRIBER sign a "SERVICE DISCLOSURE" and maintain a copy in their file and send the original to ALARMPATH. Accounts, which do not have a signed disclosure may incur an additional cost of two times the monthly rate per month.

5. TERMINATION

It is understood that the DEALER may terminate this agreement at any time by giving 60 days written notice to ALARMPATH after terminating its SUBSCRIBERS or making arrangements for monitoring existing SUBSCRIBERS with ALARMPATH. The agreement may be terminated at ALARMPATH's option if the DEALER fails to pay the amount due ALARMPATH on or before the fifteenth day of the month in which the service is being performed, or for any reason pursuant to the terms of this agreement, or for any reason with 60 days notice.

6. PAYMENTS DUE

Payments for ALARMPATH services are due in advance of the billing period in which the service begins. Late fees will be assessed at the rate of 2% of the unpaid balance for unpaid services thirty days after the beginning of such service. In addition, if fees are not paid within 45 days of the beginning of the billing period, ALARMPATH may collect its fees directly from the SUBSCRIBER. No cash refunds or credits will be issued. Individual SUBSCRIBER accounts that have been disabled may have the unused portion of service applied to the new SUBSCRIBER account if it has been transferred, or applied to an existing account.

7. TAXES

The DEALER shall be liable for any governmental taxes that may be assessed for the use of such service, whether based upon the rates charged herein or upon some other basis that may be used in calculating a tax liability. Such tax liability shall be in addition to the amount due based upon the rates set forth herein.

8. RESALE SERVICE ONLY

ALARMPATH provides this service for RESALE ONLY, and requires a valid resale certificate for the states the DEALER has offices within.

9. LIABILITY LIMITATION

The DEALER recognizes that there can be no guarantee that signals from SUBSCRIBER units will result in successful downloading to the CENTRAL STATION and that ALARMPATH WILL NOT HAVE ANY LIABILITY FOR ANY LOSS WHATSOEVER, INCLUDING BUT NOT LIMITED TO PROPERTY DAMAGE, PERSONAL INJURY, FLOOD, ETC. RESULTING FROM A CLAIM THAT THE NETWORK DID NOT PROVIDE WARNING. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, OTHER THAN THOSE SPECIFIED WITHIN. IN NO CASE SHALL ALARMPATH BE LIABLE TO ANYONE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR BREACH OF THIS OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, OR UPON ANY OTHER BASIS OF LIABILITY WHATSOEVER, EVEN IF THE LOSS OR DAMAGE IS CAUSED BY THE NEGLIGENCE OR FAULT OF EITHER OR BOTH OF THEM.

In consideration of the DEALER's assumption of risks as provided herein and the limitation of service to be provided by ALARMPATH, and the limitation of liability set forth in this agreement, the DEALER further agrees and contracts to limit the total liability of ALARMPATH to a maximum of \$100.00 for any one claim and to an aggregate liability of \$200.00 in any one calendar year.

10. INDEMNIFICATION

The DEALER agrees to and shall indemnify ALARMPATH and save them harmless, jointly and severally, from and against all liabilities, losses, claims, suits, damages, judgments, decrees, costs, interest and expense including but not limited to attorney's fees, resulting in whole or in part from any claim, action or threatened action by any SUBSCRIBER, DEALER, or other third party. This provision shall apply to all claims, lawsuits or damages caused by ALARMPATH's negligent performance, whether active or passive and to all claims based upon defects in design, installation, maintenance, monitoring, operation or non-operation of the alarm system, whether those claims be based upon negligence, active or passive, warranty, or strict or product liability on the part of ALARMPATH, its agents, or employees. The DEALER shall carry SUBSCRIBER and third party liability insurance in the amount of not less than \$1,000,000.00 per occurrence, and pay the premiums for such insurance, that will protect the DEALER, and ALARMPATH, from liability claims asserted by the customers and/or other persons in providing legal defense and paying any claims as a result of liability that may be incurred by ALARMPATH in providing the service, whether by negligence or otherwise. The DEALER shall include ALARMPATH as additionally insured and shall on an annual basis provide ALARMPATH a Certificate of Insurance. The insurance must include the obligation to defend any actions brought against ALARMPATH regarding the network services or equipment. If insurance is not provided, or the value is below \$1,000,000.00 then ALARMPATH may stop accepting additional SUBSCRIBERS and terminate existing SUBSCRIBERS. In lieu of insurance, ALARMPATH may provide network services to the DEALER at an amount per account to be determined at that time.

11. INDEPENDENT AGENTS

The DEALER and ALARMPATH are independent and shall not hold themselves out as the agent of any other party.