

Tech Electronics, Inc.

Subscription Monitoring Services General Terms and Conditions

The following terms and conditions have been incorporated into and are an integral part of any Service Agreement provided by Tech Electronics, Inc. or one of its affiliates for subscription monitoring services to a Customer. Capitalized terms used herein and not otherwise defined shall have the meaning given in the Service Agreement.

1. **Services.**

1.1 Type of Monitoring Services. TE agrees to provide monitoring Services (as defined in the Service Agreement) with respect to Customer's Monitored Systems (as defined in the Service Agreement). If Customer desires TE to provide any additional services other than as set forth herein, then any such additional services shall only be furnished pursuant to a separate agreement. TE agrees to monitor such signals from a remote monitoring facility engaged by TE (herein referred to as the "Monitoring Facility"). If the signals transmitted from the Monitored Systems will be monitored in police, fire, or municipal departments, TE agrees to provide and maintain, or cause to be provided and maintained, a remote monitoring facility consisting of signal receiving equipment at such Monitoring Facility. Upon receipt of a manual or automatic smoke or fire alarm signal, TE shall transmit the alarm to the fire department and any other location designated by Customer and notify Customer in accordance with Section 1.3(ii) hereof. Upon receipt of any types of alarm signals other than as set forth above, the Monitoring Facility shall, subject to its current policies and procedures for two-call telephone verification, make every reasonable effort to notify the appropriate police or fire department and Customer (in accordance with Section 1.3(ii) hereof), unless there is reasonable cause to assume that an emergency condition does not exist. The Monitoring Facility shall respond to all other signals in accordance with its current operating procedures for responding to such signals. Customer may request a copy of such operating procedures from TE at any time. The Monitoring Facility reserves the right to verify all alarm signals by telephone or otherwise in accordance with its policies and procedures before notifying emergency personnel and may discontinue any particular response service due to governmental or insurance requirements by giving notice in writing to Customer.

1.2 Service Limitations. Customer acknowledges that a digital communicator will be utilized for the purposes of transmitting all signals from the Monitored Systems to the Monitoring Facility. Such signals from the Monitored Systems shall be transmitted over Customer's public communications service (such as local or long distance telephone network, cellular network, internet network or other such service, hereinafter "Communication Service") to the signal receiving equipment, and in the event Customer's Communication Service is out of order, disconnected or otherwise interrupted, signals from the Monitored Systems will not be received by the signal receiving equipment during any such interruption in Communication Service and the interruption will not be known to TE or the Monitoring Facility. Customer further acknowledges and agrees that signals are transmitted over Communication Service lines or other media which are wholly beyond the control and jurisdiction of TE and are maintained and serviced by the applicable public communication service provider.

1.3 Customer's Responsibilities. During the term of the Agreement, Customer shall: (i) contact TE, in accordance with written instructions provided by TE, when the Monitored Systems are ready for initial set-up and commencement of Services; (ii) furnish to TE in writing, prior to the commencement of Services hereunder and on a continuing basis thereafter, a list of the names and telephone numbers in substantially the form of Schedule B attached hereto (the "Contact List") of persons whom the Monitoring Facility should notify in the event of an alarm, trouble or supervisory signal, which Contact List shall be the responsibility of Customer's authorization person(s) set forth following Customer's signature below, and provided such authorization person(s) shall be the only person(s) with authority to make changes to the Contact List, which

changes shall be given to TE in writing or made directly to the electronic version of the Contact List if Customer elects to purchase remote access to its account; (iii) train its employees named on the Contact List regarding (a) how to respond to different types of notifications from the Monitoring Facility, (b) the use of passwords and pass codes in communicating with the Monitoring Facility and (c) how to contact the Monitoring Facility; (iv) maintain the confidentiality of all passwords and pass codes issued by TE to Customer and its personnel for authorization and verification pursuant to the Agreement; (v) not tamper with, disturb, injure, misuse, abuse, remove or otherwise interfere with the digital communicator, the Monitored Systems and/or the Communication Service, nor permit the same to be done; (vi) maintain, repair, service, and/or assure the operation of the Monitored Systems, the digital communicator, the Communication Service and any other property, system or any device of Customer or of others to which the digital communicator may be attached or connected, including, by way of example but not limited to, sprinkler systems, Customer provided equipment and/or software, and door closures; (vii) provide, at Customer's expense, all other equipment necessary to the provision of the Services (for example, if applicable, connection to Customer's local area network); (viii) provide, at Customer's expense, uninterrupted 110 volt A.C. power through Customer's meter at all location(s) where a digital communicator is installed; (ix) provide and maintain proper battery backup systems for the digital communicator; (x) provide internet access via an IP drop within ten feet of the digital communicator; (xi) to the extent that the Monitored Systems are under Customer control: (a) to carefully and properly set the Monitored Systems immediately prior to the closing of the premises and carefully test the Monitored Systems, understanding particularly that the sensitivity and area of coverage of space protection devices may change, that TE is unable to detect such changes, and accordingly, that "walk tests" in the area or areas of such coverage are necessary to insure that adequate sensitivity is maintained. Customer shall immediately report to TE any claimed inadequacy in, or failure of, the Services, including, but not limited to, the digital communicator or the Monitored Systems; (b) to maintain the proper operation of the Monitored Systems; (c) to refrain from causing false alarms through the carelessness of Customer, failure to maintain the Monitored Systems, digital communicator, Communication Service or premises in a suitable and safe condition, or the malicious or accidental use of the Monitored Systems; and (d) to pay all fines, penalties, or fees assessed against Customer by any governmental or municipal agency as a result of false alarms or Communication Service problems, and to reimburse TE for any such fines, penalties or fees paid by TE on behalf of Customer, and, in addition, to bear the expense or the cost of any TE response to such false alarms; (xii) to notify TE immediately of equipment failure and allow TE or other repair personnel full and free access to the equipment. Waiver of liability or other restrictions shall not be imposed by Customer as a site access requirement. Also, Customer shall allow TE to use necessary machines, communication facilities, features and other equipment (except as normally supplied by TE) at no charge; (xiii) control site environmental conditions by maintaining temperature and humidity levels appropriate for all computer portions of the digital communicator, the Monitored Systems and the Communication Service equipment. Customer shall maintain (a) a temperature of 18 degrees to 24 degrees Celsius (65 degrees to 75 degrees Fahrenheit with a maximum change of 6 degrees Fahrenheit per hour) and (b) a humidity of 40% to 60% (non-condensing); (xiv) move, at its own expense, any heavy equipment or obstacles which TE indicates must be moved to permit inspection and/or service of the digital communicator; (xv) have a representative on Customer's premises during TE's performance of required services with respect to the Monitored Systems, digital communicator or Communication Service; (xvi) pay or reimburse TE for all assessments, taxes, licenses, permit fees, set-up or ongoing registration fees and any other charges imposed by any governmental authority on or relating to the Monitored Systems or the Services; (xvii) be informed of and comply with all applicable regulations and ordinances, including but not limited to those relating to alarm system monitoring; (xviii) secure, at its own cost and expense, whatever permission, permits or licenses that may be necessary from the required authorities (including utility companies) for installation and ongoing maintenance for the Services; (xix) pay on a timely basis all utility charges, including monthly or periodic charges for any Communication Service as well as water, gas and electric services; (xx) obtain and maintain passwords and other network security adequate to insure protection against loss of information or data network operations. Customer acknowledges and agrees that if Customer ties the digital communicator, or any part thereof, with its computer network, TE shall not be responsible for any viruses, data corruption, hacking or other breaches of network security; and (xxiii) provide TE with access to and use of Customer's local area or wide

area network, including all passwords as necessary to enable such access. Any digital communicator components that require interface with Customer's local area or wide area network must comply with the specifications provided by the digital communicator's manufacturer. It is Customer's responsibility to ensure that such compatibility is maintained while the Agreement is in effect.

1.4 Authorization of TE. Customer hereby authorizes and empowers TE, its agents or assigns, if required by the Agreement, to: (i) to perform any necessary services as required to be performed by TE hereunder; and (ii) enter Customer's premises in the event of an emergency occurring during periods of Customer's apparent or actual absence for the purpose of making emergency repairs to the Monitored Systems, digital communicator or Communication Service, but only if Customer has furnished TE with a key to its premises. Notwithstanding the foregoing, TE shall have no obligation to enter Customer's premises without being asked to do so by Customer. TE assumes no liability for any delay, however caused, in the installation of the digital communicator or the Monitored Systems or for interruption of Services, due to strikes, fires, power failures, interruptions or unavailability of telephone service, acts of God, or any other cause beyond the control of TE.

1.5 Equipment. In order to provide the Services hereunder, TE will be placing certain equipment, including a digital communicator, at Customer's premises (the "Equipment"). The Equipment shall be and remain the property of TE. Customer has no rights in such Equipment and shall not transfer or pledge the Equipment. TE may affix a label, plate or other marking on each item of Equipment stating that such item of Equipment is owned by TE and keep the same upon a prominent place on the Equipment. Customer shall be responsible for any loss of or physical damage to the Equipment caused by Customer's acts or omissions.

2. Payment Terms.

2.1 Fees; Payment. Customer agrees to pay TE for the Services based on the monthly amount set forth in the Service Agreement, plus any taxes and fees, payable in advance on the first day of each month during the term of the Agreement.

2.2 Fee Increase. TE shall have the right to increase the recurring service charges set forth in the Service Agreement, upon written notice to Customer (which may be given via Customer invoices), at any time or times after the date service is operative under the Agreement. Customer agrees to notify TE of any objection to such increase in writing within 20 days after the date of the notice of increase, failing which it shall be conclusively presumed that Customer has agreed to such increase. In the event Customer objects to such increase, TE may elect, at its option, to (i) continue the Agreement under the terms and conditions in effect immediately prior to such increase, without notice to Customer, or (ii) terminate the Agreement upon 15 days written notice to Customer.

2.3 Additional Charges to Customer. Customer acknowledges and agrees that Customer is responsible for additional costs resulting from any taxes or fees imposed by local ordinances on the Monitored Systems or the maintenance thereof.

3. Term and Termination. The term of the Agreement shall be as set forth in the Service Agreement; provided, however, that the Services shall not begin until the Services are activated. The Services shall remain in place for successive billing periods of one year unless either party gives the other party 30 days' prior written notice of termination. Notwithstanding the foregoing, the Agreement may be terminated pursuant to Sections 2.2, 7.2 and 8.3 of the Agreement.

4. Warranties and Indemnification.

4.1 General Warranty. TE warrants that any goods furnished hereunder will be free from defects and that any Services performed will be done in a workmanlike manner. If any failure to conform to this

warranty be found within 30 days from the date such goods are installed, TE will correct such nonconformity by replacement of defective material and parts or by making other suitable repairs at no additional charge to the Customer. TE does not represent or warrant that the Monitored Systems will not be compromised or circumvented, that the Monitored Systems will prevent any loss by burglary, hold-up, fire or otherwise, or that the Monitored Systems will in all cases provide the protection for which it is installed or intended or protect Customer from all losses. Customer acknowledges that (i) Customer assumes all risks for loss or damage to Customer's premises and to its contents, (ii) TE has made no representation or warranties nor has Customer relied on any representations or warranties, express or implied, except as set forth herein and (iii) Customer has read and understands this entire Agreement, including Section 1 and Section 5 setting forth TE's obligations and maximum liability in the event of any loss or damage to Customer. Customer acknowledges and agrees that TE is not an insurer and that the Agreement is not intended to be an insurance policy or a substitute for an insurance policy. Insurance, if any, will be maintained by Customer. TE's charges are based solely upon the value of the Services provided and are unrelated to the value of Customer's property or the property of others located on Customer's premises.

4.2 Indemnification. CUSTOMER AGREES TO INDEMNIFY, DEFEND AND HOLD TE, ITS AGENTS AND EMPLOYEES HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS AND LAWSUITS (REGARDLESS OF THE CAUSE OF ACTION OR LEGAL THEORY), INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS AND ATTORNEY FEES, WHETHER THESE CLAIMS AND LAWSUITS ARE BASED UPON ACTIVE OR PASSIVE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL OR WANTON CONDUCT, RECKLESS CONDUCT, INDEMNIFICATION, CONTRIBUTION OR STRICT OR PRODUCT LIABILITY OR ANY OTHER TYPE OF CLAIM OR CONDUCT ON THE PART OF TE, ITS AGENTS OR EMPLOYEES, EXCEPT TO THE EXTENT SUCH CLAIMS, DEMANDS OR LAWSUITS OCCUR WHILE AN EMPLOYEE OR AGENT OF TE IS ON CUSTOMER'S PREMISES AND WHICH DAMAGES, EXPENSES AND OTHER LIABILITY ARE SOLELY AND DIRECTLY CAUSED BY THE ACTS OF SAID EMPLOYEE OR AGENT. THIS PROVISION (AND ALL OTHER PROVISIONS IN THE AGREEMENT) SHALL BE ENFORCEABLE TO THE MAXIMUM EXTENT PROVIDED BY LAW.

5. LIMITATION OF LIABILITY. THE TOTAL LIABILITY OF TE HEREUNDER OR ARISING IN CONNECTION WITH THE PROVISION OF ANY SERVICES (REGARDLESS OF THE CAUSE OF ACTION OR LEGAL THEORY), WHETHER BASED UPON OR ARISING OUT OF NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL OR WANTON CONDUCT, RECKLESS CONDUCT, STRICT LIABILITY, CONTRACT, TORT, WARRANTY, MISREPRESENTATION, PATENT INFRINGEMENT OR OTHERWISE, SHALL NOT EXCEED THE ACTUAL AMOUNT PAID BY CUSTOMER TO TE FOR SUCH SERVICES, NOT TO EXCEED ONE YEAR'S RECURRING SERVICE CHARGE (AS SET FORTH BELOW), OR \$10,000, WHICHEVER IS GREATER. THE PROVISIONS OF THIS SECTION SHALL APPLY IN THE EVENT OF LOSS OR DAMAGE, IRRESPECTIVE OF THE ORIGIN, RESULTING DIRECTLY OR INDIRECTLY TO PERSONS OR PROPERTY FROM THE PERFORMANCE OR NON-PERFORMANCE OF THE OBLIGATIONS SET FORTH BY THE TERMS OF THE AGREEMENT OR FROM THE ACTIVE OR PASSIVE NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL OR WANTON CONDUCT, RECKLESS CONDUCT OF TE'S AGENTS OR EMPLOYEES. IN NO EVENT SHALL TE BE LIABLE TO CUSTOMER FOR CONSEQUENTIAL DAMAGES SUCH AS, BUT NOT LIMITED TO, LOSS OF OR DAMAGE TO OTHER EQUIPMENT OR ANY PLANT OR FACILITIES, LOSS OF PROFIT, OR LOSS OF PRODUCTION, REGARDLESS OF WHETHER THE CLAIM FOR SUCH CONSEQUENTIAL DAMAGES BE BASED ON WARRANTY (EXPRESS OR IMPLIED), CONTRACT, TORT, GROSS NEGLIGENCE, WILLFUL OR WANTON CONDUCT, RECKLESS CONDUCT OR OTHERWISE. TE SHALL NOT BE LIABLE TO INDEMNIFY CUSTOMER AGAINST ANY CLAIMS MADE AGAINST CUSTOMER FOR SUCH CONSEQUENTIAL DAMAGES. CUSTOMER AGREES TO DEFEND, INDEMNIFY AND HOLD TE HARMLESS FOR ALL CLAIMS (INCLUDING CLAIMS FOR INDEMNITY) FOR ANY SUCH CONSEQUENTIAL DAMAGES BROUGHT AGAINST TE. THIS PROVISION (AND

ALL OTHER PROVISIONS IN THE AGREEMENT) SHALL BE ENFORCEABLE TO THE MAXIMUM EXTENT PROVIDED BY LAW.

6. WAIVER OF SUBROGATION. CUSTOMER DOES HEREBY FOR ITSELF AND ANY PARTIES CLAIMING UNDER IT, RELEASE AND DISCHARGE TE FROM AND AGAINST ALL HAZARDS COVERED BY CUSTOMER'S INSURANCE, AND ALL CLAIMS AGAINST TE ARISING OUT OF SUCH HAZARDS, INCLUDING ANY RIGHT OF SUBROGATION BY CUSTOMER'S INSURANCE CARRIER, ARE HEREBY WAIVED BY CUSTOMER, AND CUSTOMER SHALL PROMPTLY SO NOTIFY ITS INSURANCE CARRIER. THIS WAIVER OF SUBROGATION EXTENDS TO ANY ALLEGED NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL OR WANTON CONDUCT OR RECKLESS CONDUCT BY TE. THIS PROVISION (AND ALL OTHER PROVISIONS IN THE AGREEMENT) SHALL BE ENFORCEABLE TO THE MAXIMUM EXTENT PROVIDED BY LAW.

7. Default and Remedies.

7.1 Default. The happening of any one of the following shall be an "Event of Default" under the Agreement: (i) failure by Customer to pay any amount within 30 days after the same is due and payable; (ii) failure by Customer to observe, keep or perform any agreement required of it herein and to correct such breach within 10 days after written notice of same from TE; (iii) abuse of the Monitored Systems, digital communicator and/or the Services; (iv) dissolution, termination of existence, discontinuance of the business, insolvency or business failure of Customer; (v) initiation of any bankruptcy, reorganization, assignment for the benefit of creditors, or like proceeding by or against Customer; (vi) excessive false alarms caused by Customer; or (vii) Customer allows other vendors to work on the Monitored Systems or the digital communicator during the term of the Agreement.

7.2 Remedies. Upon the occurrence of an Event of Default, then at any time thereafter TE may pursue one or more of the following remedies: (i) by written notice to Customer, declare the balance of all unpaid amounts due and to become due under the Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1-1/2% per month (18% per year) or the maximum rate permitted by law from the first occurring Event of Default; (ii) cure the Event of Default, in which case Customer shall pay TE's service fees and costs incurred in effecting such cure; (iii) proceed at law or in equity to enforce performance by Customer of the provisions of the Agreement, or to recover damages for the breach of the Agreement; (iv) discontinue furnishing the Services, including, without limitation, disabling communication software, hardware and/or firmware contained within the Monitored Systems from any monitoring facility, and terminate the Agreement by written notice to Customer; (v) recover any other costs TE is required to bear in respect to the Monitored Systems and/or services provided under the Agreement; and (vi) recover all costs of collection, including court costs, collection expenses, attorneys' fees, reasonable costs of removal of the TE-owned portion of the Monitored Systems, and any other reasonable costs paid or incurred by TE in enforcing or attempting to enforce the terms and conditions of the Agreement. Furthermore, if there are any other agreements in effect between TE and Customer, then TE, at its option, may deem Customer's default under any other agreement to be a default under any or all such agreements and TE shall be entitled to exercise any or all of its remedies upon default with respect to any or all of such agreements. The above remedies are cumulative and exercise of one does not preclude the exercise of another.

8. Miscellaneous Provisions.

8.1 Subcontracting; Assignment. TE shall have the right to subcontract any of the Services that it may be obligated to perform. The Agreement and its benefits are not assignable by Customer except upon the prior written consent of TE. Customer acknowledges that the Agreement, and particularly those Sections relating to TE's maximum liability and third party indemnification, inure to the benefit of, and are applicable to any assignees or subcontractors of, TE.

8.2 Third-Party Beneficiary. The Agreement is solely for the benefit of the parties and their respective successors and permitted assigns, and no other person has any right, benefit, priority or interest under or because of the existence of the Agreement. The parties hereby expressly disclaim any intention to create any third party beneficiaries of the Agreement or the Services.

8.3 Force Majeure. TE shall not be liable for nonperformance or delay in performance due wholly or partially to any cause beyond its control, including action or failure of the government to act where action is required, strikes or other labor troubles, riots, power failures, interruption or unavailability of telephone service fire, flood, lightning, earthquakes, or other acts of God. Replacement of the Monitored System necessitated by any such event will be at Customer's expense. The Agreement may be suspended or terminated, at the option of TE or Customer, if the Monitored Systems, digital communicator or any part thereof is destroyed by fire, lightning or other catastrophe or so substantially damaged that it is impractical to continue to provide Services. Upon such suspension or termination, an equitable refund of the service charges paid, but not yet earned, shall be made. Notice of termination shall be given upon written notice given within ten (10) days of such event.

8.4 Entire Agreement. Customer acknowledges receipt of a copy of the Service Agreement. The Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, letters of intent, understandings, negotiations and discussions of the parties, whether oral or written. If there is any conflict between the Agreement and Customer's purchase order, or any other document or any oral agreements, the Agreement will govern. No conditions in the acceptance by Customer and no subsequent agreements or communications in any way modifying the provisions of the Agreement shall be binding unless signed by an authorized representative of TE.

8.5 Amendments. The Agreement may only be amended in a writing signed by both parties; provided, however, that TE may update these terms and conditions from time to time without Customer's consent. No waiver of any of the terms and conditions contained herein shall be effective unless such waiver is in writing and signed by an authorized representative of the party waiving such condition.

8.6 Severability. In the event any of the terms and conditions of the Agreement are declared invalid or inoperative, all of the remaining terms and conditions shall remain in full force and effect.

8.7 Governing Law and Venue. The Agreement and the rights and obligations of the parties hereunder are to be governed by and construed and interpreted in accordance with the laws of the State of Missouri applicable to contracts made and to be performed wholly within Missouri, without regard to choice or conflict of laws rules. The parties hereto submit to the exclusive jurisdiction of and venue in the state courts located in St. Louis County, Missouri, or the U.S. District Court, Eastern District of Missouri, Eastern Division for purposes of any suit arising hereunder instituted by any party.

8.8 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THE AGREEMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM IN RESPECT OF THE AGREEMENT OR TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE. EACH PARTY HERETO AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY.

8.9 Notices. Any notice provided pursuant to the Agreement, if specified to be in writing, shall be in writing and shall be deemed given: (i) if by facsimile, hand delivery or by delivery service, upon receipt thereof; (ii) if mailed, three days after deposit in the U.S. mail, postage prepaid; or (iii) if by electronic mail, upon receipt thereof. All notices shall be addressed to the parties at the addresses specified below or at such other addresses as either party may in the future specify in writing to the other.

8.10 Binding Effect. The Agreement shall not be binding upon TE until the Service Agreement has been signed by an authorized representative of TE. In the event of failure of such written approval, the sole liability of TE shall be to refund to Customer the amount paid to TE upon the signing of the Agreement.

8.11 Disclaimers and Waivers. The Agreement contains certain exculpatory clauses, disclaimers and waivers to which Customer has agreed. Those clauses are set forth in Sections 4.1, 4.2, 5, 6 and 8.8. Customer's signature below indicates its acceptance of and assent to such provisions.

8.12 Consent to Automated Notifications. Customer acknowledges that TE, in the fulfillment of its duties hereunder, may send automated, pre-recorded telephone or e-mail messages to Customer to, among other things, notify Customer of telephone line problems and inform Customer of its options for inspecting and fixing such problems. To the extent such calls or e-mails are construed as solicitations under applicable telemarketing laws and regulations, Customer hereby consents and agrees to TE's act of making such communications.

8.1 Survival. Sections 2, 4, 5 and 6 shall survive the cancellation, expiration or termination of the Agreement.

8.2 Electronic Signatures. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties to the Agreement are intended to authenticate the writing and will have the same force and effect as manual signatures. Electronic signatures may include any electronic sound, symbol, or process executed and adopted by a party with the intent to sign the Agreement, including, without limitation, facsimile or email electronic signatures.