



TERMS OF SERVICE MONITORING SERVICES

In addition to the Master Service Agreement, the following Terms of Services shall apply to NAV Systems' Security Monitoring Services.

1. MONITORING SERVICE:

The customer ("you", "your", "subscriber", etc.) requested and authorized NAV Systems, Inc. ("Installer", "us", "NAV Systems", "we", "our") to install and provide monitoring services for an alarm system ("system"). Installer and Subscriber have entered into an Agreement wherein and whereby Installer will provide monitoring services for Subscriber, such services to consist solely of those described herein. When a signal from the system is received in our monitoring facility we will try to telephone the proper police or fire department, paramedic unit or other authorities and the first available person on your emergency call list. To avoid false alarms, we may first call your first two emergency contacts to determine if an actual emergency exists before we call any authorities in order to comply with two-call verification rules/laws. If we have reason to believe that no actual emergency exists, we may choose not to place such calls. We may discontinue any particular response service by giving you written notice if required to do so by any governmental agency or our liability insurance provider. MONITORING SERVICE WILL NOT BEGIN UNTIL WE HAVE RECEIVED AN APPROVED: (A) A FULLY EXECUTED COPY OF THIS AGREEMENT, (B) VALID TEST SIGNALS FROM THE SYSTEM, AND (C) ANY REQUIRED LICENSING INFORMATION. All monitoring fees are paid to NAV Systems in accordance with any contract or provided estimate and any fees not paid may result in a discontinuation of service. If subscriber was under contract, 50% of remaining monthly recurring charges will be due at the time of the account closing, and any NAV Systems owned equipment on customer premises will be released back to NAV Systems.

2. TERM OF AGREEMENT: SUSPENSION, DISCONNECTIONS:

This agreement shall continue for as long as Installer is contracted for the performance of monitoring services for you. We may terminate monitoring services by giving you ten (10) days prior written notice, in the event that (i) subscriber does not remit payment on time, or (ii), the system is not maintained in good operating condition and repair. Upon giving such notice, this Agreement and all of our responsibilities hereunder shall come to end and neither party hereto shall have any claim against the other for any further obligations. Upon termination of this Agreement for any reason, you agree to permit us to discontinue monitoring and further permit Installer to enter your premises and disconnect your system from the monitoring network. You understand that we may stop or suspend monitoring service if (a) strikes, severe weather, earthquakes or other such events beyond our control affect the operation of our monitoring facility to the extent that continuing service would be impractical; (b) there is an interruption or unavailability of the telephone or internet service between the system and our monitoring facility; (c) we are unable to provide service because of some action or ruling by any governmental authority.

3. TRANSMISSION LINES: TRANSMISSION FACILITIES:

The system includes a communicator that sends signals to the Center by one of the following methods. a. Standard Telephone Service. The communicator is connected to your standard landline telephone service. We recommend the use of an RJ31X or equivalent telephone jack to give the system priority over other telephones in your premises, however, when the system is activated, you will be unable to use your telephone to make other calls (such as calls to the 911 emergency operator), and therefore, you may wish to have the system connected to a second telephone line. You agree to reimburse us for any costs we may incur to reprogram the system's communication devices because of area code changes or other dialing pattern changes. b. Cellular or Radio Transmission. If cellular or radio service is used as a primary or secondary transmission path, the communicator is connected to our cellular or radio network. Cellular or radio transmissions may be impaired or interrupted by atmospheric conditions, including electrical storms, power failures or other conditions and events beyond our control. c. Internet Transmission. The communicator is connected to the Internet, which uses your DSL telephone service, fiber service or cable service. In order for the system to transmit signals, it must have uninterrupted access to an Internet connection. You further acknowledge that signals are transmitted over the Internet, which is wholly beyond our control and is maintained and serviced solely by the applicable telephone or cable utility and Internet service provider. d. The use of DSL, BPL, VoIP or other broadband or Internet-based telephone service may prevent the system from transmitting alarm signals to the Monitoring Center, after it is installed or at any time in the future, and/or interfere with the telephone line-seizure feature of the system. You agree to notify the installer and us if you have installed or intend to install DSL, VoIP, BPL

or other broadband or Internet service. IMMEDIATELY AFTER THE INSTALLATION OF DSL, VoIP, BPL, OR OTHER BROADBAND OR INTERNET SERVICE YOU MUST TEST THE SYSTEM'S SIGNAL TRANSMISSION WITH THE MONITORING CENTER. You further acknowledge that signals are transmitted over telephone lines, cellular, radio or the internet, which are wholly beyond our control and are maintained and serviced solely by the applicable telephone, cellular, radio or internet provider.

4. FALSE ALARMS:

You agree that you or others using the system will use it carefully so as to avoid causing false alarms. If we receive too many false alarms we may cancel monitoring service. If a false alarm fine or penalty is charged to us by any governmental agency, you will repay us for the charge.

5. SUBSCRIBERS DUTIES:

You will instruct all persons who may use the system on its proper use. You will test the system and send test signals to our monitoring facility in accordance with our instructions at least monthly. If a problem in the system occurs you will notify NAV Systems immediately. You will obtain and keep in effect all permits and licenses that may be required for the installation and operation of the system. You will notify NAV Systems in writing of any changes in the persons or telephone numbers of the information contained on page two (2) of this agreement. (IF THE SYSTEM INCLUDES ANY WIRELESS DEVICES, INCLUDING A PERSONAL PENDANT, THEY ARE BATTERY OPERATED. YOU ARE RESPONSIBLE FOR TESTING THE DEVICES AND REPLACING THE BATTERIES OR SUBMITTING A SERVICE REQUEST FOR BATTERY REPLACEMENT.)

6. ASSIGNEES:

You may not transfer this agreement to someone else (including someone who purchases or rents your premises) unless we approve the transfer in writing.

7. NAV SYSTEMS IS NOT AN INSURER: LIMITATION OF LIABILITY:

You understand: (a) we are not an insurer of your property or the personal safety of persons in your premises; (b) you should provide any insurance on yourself and others who may use the system; (c) the amount you pay to us is based only on the value of the service we provide; (d) alarm systems and our monitoring service may not always operate properly for various reasons; (e) it is difficult to determine how fast the police or fire department, paramedics, persons you have designated, or others will respond to an alarm signal; (f) the system, service and transmission lines are limited as set forth in Sections 2 and 4 herein; (g) it is difficult to determine what portion, if any, of any property loss, personal injury or death would be proximately caused by our failure to perform, our negligence, or a failure of the system. THEREFORE YOU AGREE: Even if a court or other tribunal decides that our breach of this Agreement, a failure of the system, our negligence, or a failure of the installation, monitoring or repair service caused or allowed any harm or damage (whether property damage, personal injury or death) to you or anyone in your premises you agree that our liability shall be limited to \$500.00, and this shall be your only remedy regardless of what legal theory is used to determine that NAV Systems was liable for the injury or loss.

8. THIRD PARTY INDEMNIFICATION AND SUBROGATION:

If anyone other than you, asks NAV Systems to pay for any harm or damages (including property damage, personal injury or death) connected with or resulting from (i) a failure of the alarm system or services, our negligence, (ii) any other improper or careless activity of NAV Systems in providing the alarm system or services or (iii) a claim for indemnification or contribution, you will repay to NAV Systems (a) any amount which a court orders us to pay or which we reasonably agree to pay, and (b) the amount of our reasonable attorney's fees and other loss or costs that we may pay in connection with the harm or damages. Unless prohibited by your property insurance policy, you agree to release NAV Systems from any claims of any parties suing through your authority or in your name, such as your insurance company, and you agree to defend us against any such claim. You will notify your insurance company of this release.

9. LIMITATION OF LAWSUITS: WAIVER OF JURY TRIAL:

Both NAV Systems and Subscriber agree that no lawsuit or any other legal proceeding connected with this agreement shall be brought or filed more than one year after the incident giving rise to the claim occurred. In addition any such legal proceeding shall not be heard before a jury. Each party gives up any right to a jury trial.

10. ENTIRE AGREEMENT:

The entire and only agreement between you and NAV Systems is written in this Agreement. It replaces any earlier oral or written understandings or agreements. It may only be changed by a written agreement signed by you (and if married, your spouse) and us. If you have given or ever give us a purchase order for the service which provides for different terms than this agreement, this agreement will govern and be controlling. OUR DUTY AND OBLIGATION TO PROVIDE MONITORING SERVICE TO YOU ARISE SOLELY FROM THIS AGREEMENT. If any provision of this agreement is found to be invalid or illegal by a court, the balance of the agreement shall remain in force.