TERMS & CONDITIONS

These TERMS & CONDITIONS constitute a material part of the ALARM SALE/MONITORING AND SERVICE CONTRACT (the "Agreement") between Granite Guard, LLC ('Granite") and you ("Subscriber"). This Agreement, together with any proposals and/or attachments constitutes the entire agreement of the parties.

1. **MASTER AGREEMENT.** Granite and Subscriber agree that the terms and conditions outlines in this Agreement shall serve as the Master Agreement for all of Subscriber's accounts and/or locations currently monitored and/or serviced by Granite and all of Subscriber's accounts and/or locations that will be monitored and/or serviced by Granite at any point in the future.

2. **TERM**. The initial term of this Agreement is three (3) years or thirty-six (36) months and, upon the expiration of such initial term, shall be automatically renewed for successive one (1) year terms, unless either party gives the other thirty (30) days prior written notice of its intent to not renew.

3. **MONITORING SERVICE**. With respect to the monitoring services under this Agreement, Granite's sole obligation shall be to monitor, without liability, signals received from the electro-protective system installed on the Subscriber's premises (the "System"). When a signal from the system is received by Granite, Granite will use reasonable efforts to notify the police or fire department, paramedic unit or other authorities designated by Subscriber as deemed appropriate in Granite's sole discretion, and the first available person on Subscriber's emergency call list at such number as has been provided by the Subscriber. To avoid false alarms, Granite may call Subscriber's premises first to determine if an actual emergency exists before Granite calls any authorities. If Granite has reason to believe that no actual emergency exists, Granite may choose not to place such calls. Granite may discontinue any particular response service by giving Subscriber written notice if required to do so by any governmental agency or Granite's liability insurance provider. MONITORING SERVICE WILL NOT BEGIN UNTIL GRANITE HAS RECEIVED AND APPROVED: (A) A FULLY EXECUTED COPY OF THIS AGREEMENT, (B) VALID TEST SIGNALS FROM THE SYSTEM, AND (C) ANY REQUIRED LICENSING INFORMATION.

4. **MONITORING STATION**. Granite shall be permitted to subcontract its monitoring services under this Agreement and Subscriber agrees and acknowledges that the provisions of this Agreement inure to the benefit of and are applicable to any subcontractors engaged by Granite to provide services set forth herein to Subscriber, and bind Subscriber to said subcontractor(s) with the same force and effect as they bind Subscriber to Granite. Accordingly, Granite and Subscriber expressly agree that each of Granite's subcontractors is an intended third party beneficiary of the provisions and protections extended to Granite hereunder including specifically, but without implied limitation, Subscriber's Duties set forth in Section 9; the Exculpatory Clause, Disclaimers of Warranty, Limitation of Liability, Indemnification and Subrogation, Lien Law, and all other provisions set forth in Sections 17-21; and the Governing Law, Limitations of Lawsuits, Waiver of Jury Trial set forth in Section 23. Subscriber is not a third party beneficiary to any agreement between Granite and any of its subcontractors. Subscriber agrees that it shall have no independent cause of action against any of Granite's subcontractors for performance hereunder.

5. **PRICING**. Subscriber agrees to pay Granite the fees set forth in this Agreement. Subscriber will also pay or reimburse Granite for any shipping charges and applicable taxes other than taxes on Granite's net income (i.e., value-added, sales, use, excise, property, etc.). In addition to the fees otherwise set forth in this Agreement, Subscriber agrees to pay a service charge if Granite's representative responds to a service call or alarm at Subscriber's premises because Subscriber improperly followed operating instructions, failed to properly lock or close a window, door or other protected point.

6. **PAYMENT**. Granite will invoice Subscriber monthly in advance for all monthly recurring charges for Services to be provided during the following month, and will bill non-recurring charges (if any) in arrears. Payments will be due upon receipt of Subscriber's invoice. Beginning thirty (30) days following the date of Granite's invoice, Granite may charge interest to Subscriber on the amount of the outstanding balance owed by Subscriber to Granite in the amount of the lesser of one and one-half percent (1.5%) per month or the highest amount allowed by law. If the Subscriber fails to pay any undisputed and overdue amount within ten (10) days of written notice from Granite requesting payment, the Subscriber shall also pay all of Granite's reasonable costs of collection, including but not limited to reasonable attorney's fees. In the event Subscriber's account is in arrears, Granite may, upon written notice to Subscriber, suspend its provision of Services under this Agreement in whole or in part until Subscriber's account has been brought current.

7. **SUSPENSION, DISCONNECTION**. Upon termination of this Agreement it shall be the obligation of the Subscriber to disconnect the transmitting device which transmits the alarm signal to Granite and the Subscriber shall allow Granite or an agent of Granite to enter the premises during regular business hours and disconnect the transmitting device. Subscriber's failure or refusal to disconnect the transmitting device shall cause Subscriber to be liable for all loss or damage Granite may sustain including, but not limited to, Granite's inability to assign to another user of the Granite's alarm monitoring service the number designation theretofore assigned to the Subscriber. This Agreement may also be suspended at Granite's option, should the protective equipment or the premises of the Subscriber become so substantially disabled or damaged that further service is impracticable, or if the rendering of such service is not possible by reason of strike, riots, floods, fires, interruption of telephone or other communication services, ruling or action of any governmental authority, acts of God, or any other cause beyond the control of Granite.

8. **DEFAULT**. In the event of (a) termination by the Subscriber, or (b) any default on the part of Subscriber, including but not limited to the failure to make any payment as agreed herein, seventy-five percent (75%) of the unexpired term of this Agreement (monitoring and Service Plan charges) shall become immediately due and payable at the option of Granite. In addition, Subscriber agrees to pay to Granite all sums to which Granite may be entitled under the law by virtue of the said default. Disconnection of the system or equipment as hereinabove set forth shall not be considered to constitute breach by Granite of this Agreement or waiver of Granite to any such damages.

9. **SUBSCRIBER'S DUTIES**. The Subscriber agrees to use its System each and every time there will not be a person at the Subscriber's premises to inspect for or discover the condition the system is designed to warn or protect against. Before setting the System for use, Subscriber agrees it will test the System to see if it is in proper working order. The Subscriber has the obligation of telling Granite when the system is not working. Subscriber will obtain and keep in effect all permits and licenses that may be required for the installation and operation of the system. Subscriber is solely responsible for notifying Granite of any changes in the persons or contact information on the Subscriber's emergency call list, and providing and updating all information regarding the system as necessary for Granite to perform the monitoring services. Subscriber understands that Granite must know and have on record basic information about the Subscriber's system and a written list of names and telephone numbers of

those persons for whom Subscriber wishes to receive notification of alarm signals, and that Granite, in performing its obligations under this Agreement, will rely on such information provided by the Subscriber. Subscriber designates Granite as its exclusive agent to convey information to or otherwise deal with the monitoring station or any other subcontractor hereunder. The Subscriber shall at all times maintain a policy of public liability, property damage, burglary and theft, fire, water damage and loss of property insurance. The minimum liability insurance shall be one million dollars for any injury or death, and property damage and loss, burglary and theft, and fire and water damage coverage in an amount necessary to indemnify Subscriber for property (whether owned by Subscriber or other parties) on its premises. In no event shall Granite be responsible for any portion of any loss or damage that is recovered or recoverable by the Subscriber from insurance covering such loss or damage or for such loss or damage against which the Subscriber is indemnified or insured.

10. **CONSENT TO INTERCEPT, RECORD, DISCLOSE AND USE CONTENTS OF COMMUNICATIONS**. **Subscriber, for itself and as the authorized agent of your guests, agents, representatives and employees (individually and collectively, "Any Person"), hereby consent to Granite intercepting, recording, retrieving, reviewing, copying, disclosing and using the contents of all telephone, video, wire, oral, or electronic and other forms of transmission or communication to which you, Any Person or Granite are parties.**

11. **FALSE ALARMS; CHARGES; ASSESSMENTS**. If the Subscriber's system is damaged to such an extent, or not functioning in such a way, that false alarms are transmitted with unreasonable frequency, Granite may choose to suspend its obligations under this contract until the system is fixed or the condition corrected. If Granite elects to suspend its obligation, it will first, to the extent it is reasonably possible to do so, notify the Subscriber of the suspension. Granite shall not be responsible for any fees, charges, or assessments imposed by any government authority or other persons in connection with false alarms from any equipment located at Subscriber's premises, and Subscriber agrees to indemnify Granite in connection with same.

12. **TRANSMISSION LINES; SYSTEM INTERRUPTIONS**. Subscriber understands that, for equipment which transmits signals via telephone circuit, cellular and/or radio telemetry, or internet transmission, none of such services are infallible, and Subscriber specifically acknowledges that Granite does not represent or warrant that the transmission of signals will not be interrupted, circumvented or compromised. In addition, Subscriber understands that a digital communicator is a reporting device which requires the telephone line to be operative for a signal to be received by the monitoring center. Accordingly, if the telephone line is not operative, there is no indication of this fact at the monitoring center and no signal can be received by the monitoring center while the telephone line remains inoperative. Subscriber understands that cellular or radio transmissions may be impaired or interrupted by atmospheric conditions, including electrical storms, power failures or other conditions and events beyond Granite's control. The use of DSL, BPL, VoiP or other broadband or Internet-based telephone service may prevent the system from transmitting alarm signals to Granite's 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. Subscriber agrees to notify Granite if Subscriber has installed or intends 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, SUBSCRIBER MUST TEST THE SYSTEM'S SIGNAL TRANSMISSION WITH GRANITE'S MONITORING CENTER.

13. INSTALLATION. Granite will install the equipment listed on the Schedule A of this Agreement in a workmanlike manner under the following conditions: (i) Subscriber's premises will be available without interruption during our normal working hours; (ii) Subscriber understand that the installation may require drilling into various parts of Subscriber's premises; (iii) Subscriber will provide 110 AC electrical outlets for all power equipment in locations designated by Granite; (iv) Subscriber will make arrangements for lifting and replacing carpeting, if required, for Granite's installation of floor mats or wiring; (v) Subscriber warrants that it (1) requested the equipment and services specified in this Agreement for Subscriber's own use and not for the benefit of any other party, (2) Subscriber owns the premises where the equipment is being installed or that Subscriber has the authority to authorize Granite to install such equipment in the premises, and (3) Subscriber complies with all laws, codes and regulations pertaining to the equipment Granite installs and the services Granite provides under this Agreement. Granite will endeavor to connect to Subscriber's previously installed existing alarm system ("Customer-Owned System"), to our monitoring center. Granite shall, prior to connection, have the right to inspect for the good operating condition of and eligibility for Service Plan coverage of the Customer-Owned System and notify Subscriber of any required repair/ replacement costs related to the Customer-Owned System, device(s) or connection. If Subscriber declines to pay such repair/replacement costs, Granite reserves the right not to connect to the Customer-Owned System and to terminate this Agreement without liability. If the Customer- Owned System is connected to Granite's monitoring center, Granite shall have no liability for the maintenance, operation, non-operation, actuation, non-actuation or erroneous actuation of such Customer-Owned System, connection, or device(s) and any repairs will be performed on a time and material basis, subject to available parts, except for repairs/ replacements covered by the Service Plan if such coverage is provided under this Agreement.

UNLESS A FIRE ALARM SYSTEM TO CODE IS SELECTED TO BE INSTALLED, GRANITE MAKES NO REPRESENTATION THAT THE FIRE ALARM DETECTION EQUIPMENT MEETS LOCAL CODE, FIRE DEPARTMENT OR ANY AUTHORITY HAVING JURISDICTION ("AHJ") REQUIREMENTS, AND IT IS NOT GRANITE'S RESPONSIBILITY TO APPLY FOR ANY PERMITS OR FEES IN CONNECTION WITH SUCH EQUIPMENT. THE LAW REQUIRES AND GRANITE RECOMMENDS THAT SUBSCRIBER INSTALL A FIRE ALARM SYSTEM TO CODE WITH PLANS AND SPECIFICATIONS BY AN ARCHITECT OR PROFESSIONAL ENGINEER, PROPERLY PERMITTED, INSPECTED AND APPROVED BY AHJ. SUBSCRIBER REPRESENTS THAT EXISTING FIRE ALARM SYSTEM IS APPROVED BY AHJ AND THAT ANY REPAIRS OR REPLACEMENT PARTS INSTALLED BY GRANITE ARE NOT ADDITIONAL EQUIPMENT WHICH WOULD REQUIRE AHJ APPROVAL.

14. LIMITED WARRANTY ON SALE. In the event that any part of the security system becomes defective, or in the event that any repairs are required, GRANITE agrees to make all repairs and replacement of parts without costs to the Subscriber for a period of ninety (90) days from the date of installation. GRANITE reserves the option to either replace or repair the alarm equipment, and reserves the right to substitute materials of equal quality at time of replacement, or to use reconditioned parts in fulfillment of this warranty. This warranty does not include batteries, reprogramming, damage by lightning, electrical surge, wire or foil breaks. GRANITE (is not the manufacturer of the equipment and other than GRANITE's limited warranty Subscriber agrees to look exclusively to the manufacturer of the equipment for repairs under its warranty coverage if any.

15. SERVICE PLAN. If Subscriber purchases the Service Plan, Granite will repair or, at Granite's option, replace any part of the System, including batteries, requiring such repair or replacement due to ordinary wear and tear or malfunction of the System, but not due to an excluded condition, below. Granite will use new or functionally operative parts for replacements. The Service and the billing for it will commence as of the date the System is installed, operational, and the necessary communications connection is completed and will continue for the term of this Agreement. The Service Plan will automatically renew for successive one (1) year terms at Granite's then-current Service Plan rate unless terminated by either party's written notice at least sixty (60) days before the end of the then-current term. If the Service Plan is purchased after the initial system installation, the System must be in good working condition, as determined by granite in its sole and absolute discretion, at the time of the Service Plan purchase.

16. EXCLUSIONS TO LIMITED WARRANTY AND SERVICE PLAN. Granite shall perform warranty service only between the hours of 8 a.m. and 5 p.m. Monday though Friday, within reasonable time after receiving notice from Subscriber that service is required, exclusive of Saturdays, Sundays and legal holidays ("Business Hours"). Service calls outside of Business Hours will be billed at Granite's standard contract rates. The limited warranty and, if purchased the Service Plan, do not apply if Granite determines upon inspection that any of the following conditions caused the need for service: (i) damage resulting from accidents, theft, Acts of God, natural disasters, labor disputes, war, terrorism, civil strife, electrical surge, alterations or misuse; (ii) Subscriber fails to properly close or secure a door, window or other point protected by an alarm device; (iii) Subscriber fails to properly follow the operating instructions; (iv) trouble in a telephone line, use of non-traditional telephone line or service (including but not limited to DSL, ADSL, VOIP, etc.) or due to interruption of power; (v) ordinary maintenance or wear and tear (not excluded as to the Service Plan); (vi) alterations to Subscriber's premises; or (vii) alterations to the system made at Subscriber's request, or made necessary by a change to Subscriber's premises, damage to Subscriber's premises or the alarm system, or for any other cause beyond Granite's control. Subscriber must furnish the necessary electrical power through your meter at your expense to obtain warranty services. Granite's obligation to provide replacement or repair service under this Agreement shall be conditioned upon the continued availability of the original part or component from the original manufacturer.

17. EXCULPATORY CLAUSE: Granite is not assuming any liability for, and therefore, shall not be liable to Subscriber for, any loss, personal injury or property damage sustained by Subscriber as a result of burglary, theft, hold-up, fire, equipment failure, smoke, water, or any other cause, whatsoever, regardless of whether or not such loss or damage was caused by or committed to by Granite's negligence to any degree (including gross negligence), failure to perform any obligation, or strict product liability. Granite does not make any promise or representation, or express or implied warranty, that the Subscriber's system, the monitoring services provided by Granite or its subcontractors, or Granite's subcontractors' monitoring equipment are fit for the protective service the Subscriber intends, nor that such protective services will provide for the protection intended. Subscriber releases Granite from any claims of contribution, indemnity or subrogation.

Further, and without limiting the foregoing exculpatory provisions, Granite will not be responsible for losses or damages suffered by a Subscriber caused by (i) defects or deficiencies in the System owned by the Subscriber, (ii) delay in response time or failure to respond by any person or authority notified by Granite according to Subscriber's instructions in this Agreement, or (iii) inaccuracy of any Subscriber information or data provided by the Subscriber to Granite.

18. NOT INSURERS. It is understood and agreed by the parties hereto that Granite is not an insurer and that insurance covering personal injury and property loss or damage shall be obtained by the Subscriber; that the amounts being charged by Granite are not sufficient to guarantee that no loss will occur or to assume the risk of consequential or other damages to Subscriber; and that Granite is not assuming responsibility for any losses which may occur even if due to their negligence to any degree, breach of contract or failure to perform any obligation under this Agreement. Subscriber agrees to look exclusively to its own insurer to recover damages. EXCEPT AS SET FORTH IN THIS AGREEMENT, GRANITE MAKES NO EXPRESS WARRANTIES AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMIATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR A PARTICULAR PURPOSE. GRANITE DOES NOT REPRESENT NOR WARRANT THAT THE SYSTEM MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT THE SYSTEM WILL PREVENT ANY LOSS BY BURGLARY, HOLD-UP, FIRE OR OTHERWISE; OR THAT THE SYSTEM WILL PREVENT ANY LOSS BY WHICH IT IS INSTALLED. GRANITE EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Subscriber acknowledges that any affirmation of fact or promise made by Granite shall not be deemed to create an express warranty unless included in this Agreement in writing; that Subscriber is not relying on Granite's skill or judgment in selecting or furnishing a system suitable for any particular purpose and that there are no warranties which extend beyond those on the face of this Agreement Subscriber's exclusive remedy for GRANITE's breach of this contract or negligence to any degree under this contract is to require GRANITE to repair or replace, at GRANITE's option, any equipment which is non-operational.

19. **LIMITATION OF LIABILITY**. SUBSCRIBER AGREES THAT SHOULD THERE ARISE ANY LIABILITY WHATSOEVER ON THE PART OF GRANITE, WHETHER IN CONTRACT, TORT OR EQUITY, INCLUDING, BUT NOT LIMITED TO, ANY GENERAL, DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE AND CONSEQUENTIAL DAMAGES AND WHETHER AS A RESULT OF GRANITE'S NEGLIGENCE TO ANY DEGREE, BREACH OF CONTRACT, FAILURE TO PERFORM ANY OF GRANITE'S OBLIGATIONS, EQUIPMENT FAILURE OR STRICT LIABILITY, SUCH LIABILITY SHALL BE LIMITED TO THE TOTAL SUM OF $250. IF SUBSCRIBER WISHES TO INCREASE THE LIMITATION OF LIABILITY, SUBSCRIBER MAY, AS A MATTER OF RIGHT, ENTER INTO A SUPPLEMENTAL AGREEMENT AND OBTAIN A HIGHER LIMIT BY PAYING AN ADDITIONAL AMOUNT CONSONANT WITH THE INCREASE IN LIABILITY.

20. **INDEMNIFICATION AND SUBROGATION**. Subscriber agrees to and shall indemnify and hold harmless Granite, its employees, agents and subcontractors, from and against all claims, lawsuits and demands, including those brought by third parties or the Subscriber, and all losses, expenses and reasonable attorneys' fees, asserted against and alleged to be caused by Granite's performance, negligence, gross negligence or failure to perform any obligation under this Agreement. These obligations will survive the expiration or termination of this Agreement. Except for Granite's subcontractors, the parties agree that there are no third party beneficiaries of this Agreement. Subscriber waives, on its behalf and on behalf of any insurance provider, any right of subrogation and agrees to release Granite from any claims of any parties suing through Subscriber's authority or in Subscriber's

name, such as Subscriber's insurance company, and Subscriber agrees to defend Granite against any such claim.

21. **LIEN LAW**. Granite or any subcontractor engaged by Granite to perform work or furnish material who is not paid may have a claim against Subscriber or the owner of the premises if other than Subscriber which may be enforced against the property in accordance with the applicable lien laws.

22. **ASSIGNMENT**. The Subscriber may not assign its interest under this Agreement without written consent of Granite. Granite may assign this Agreement without the consent of Subscriber.

23. **GOVERNING LAW; LIMITATION OF LAWSUITS; WAIVER OF JURY TRIAL**. This Agreement shall be governed by the laws of Delaware without reference to its conflicts of laws principles. Any legal actions or proceedings arising out of this agreement will be brought exclusively in the state and federal courts sitting in the State of Delaware. Subscriber agrees that no lawsuit or any other legal proceeding connected with this agreement or the services rendered hereunder shall be brought or filed by Subscriber against Granite more than one (1) 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 HEREBY WAIVES ANY RIGHT TO A JURY TRIAL**.

24. **NOTICES**. Any notices required to be given to Granite must be in writing and mailed by certified mail, return receipt requested, addressed to Granite.

25. **ENTIRE AGREEMENT; MISCELLANEOUS**. This Agreement contains the entire understanding between the parties and only representations contained herein are binding on the parties. It replaces any earlier oral or written understandings or agreements. It may only be changed by a written agreement signed by Subscriber and Granite. If Subscriber has given or ever gives Granite a purchase order for the service which provides for different terms than this Agreement, this Agreement will govern and be controlling. GRANITE'S OBLIGATION TO PROVIDE MONITORING SERVICE TO SUBSCRIBER ARISES SOLELY FROM THIS AGREEMENT. If any provision of this agreement is found to be invalid or illegal by a court of competent jurisdiction, the balance of the agreement shall remain in force.