

NORTHEAST SECURITY SOLUTIONS, INC.
33 Sylvan Street, West Springfield, MA 01089

STANDARD SECURITY EQUIPMENT SERVICE CONTRACT

Agreement Dated: _____, by and between Northeast Security Solutions, Inc. (hereinafter referred to as "Contractor") and _____ (hereinafter referred to as the "Subscriber" or "Buyer"). Location of premises: _____ Phone: _____

1. Service includes all parts and labor. Contractor shall service upon Subscriber's request the security equipment installed in Subscriber's premises between the hours of 9 a.m. and 5 p.m. Monday through Friday, within reasonable time after receiving notice from Subscriber that service is required, exclusive of Saturdays, Sundays and legal holidays. It is the Subscriber's responsibility to notify contractor of such need. All repairs, replacement or alteration to the security equipment made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, other acts of God, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Foil, batteries, devices that have exceed their useful life cycle, and video tape heads, are not included in this service contract and will be repaired at Subscriber's expense. If Gold Service Contract is selected in section 2 below, then batteries for sensors and one system inspection and test per year shall be included as complimentary items in this service contract. No apparatus or device shall be attached to or connect with the security equipment as originally installed without contractor's written consent. Contractor shall instruct the Subscriber in the proper use of the security system.

2. SERVICE PLAN: The balance of payments for the term of this agreement are due upon execution of this agreement. For the convenience of the parties and so long as there is no default in payments, Subscriber may make the payments as provided hereafter. Payments shall not be refunded for any reason. (Select one of the following two options.)

Silver Service Contract - Subscriber agrees to pay the sum of \$10.00 plus tax, per month, payable annually in advance for the term of this agreement, commencing the first day of the month next succeeding the date hereof, all payments being due on the first of the month.

Gold Service Contract - Subscriber agrees to pay the sum of \$20.00 plus tax, per month, payable annually in advance for the term of this agreement, commencing the first day of the month next succeeding the date hereof, all payments being due on the first of the month.

3. TERM OF AGREEMENT: RENEWAL: The term of this agreement shall be for a period of one year and at that end of any term shall automatically renew for an additional one month period thereafter under the same terms and conditions, unless either party gives written notice to the other by certified mail, return receipt requested, of their intention not to renew the contract at least 30 days prior to the expiration of any term. Contractor shall be permitted, from time to time to increase the servicing charge by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase as invoiced.

4. NO WARRANTIES OR REPRESENTATIONS: SUBSCRIBER'S EXCLUSIVE REMEDY: Contractor does not represent nor warrant that the security equipment will prevent any loss, damage or injury to person or property, by reason of burglary, theft, hold-up, fire, smoke, equipment failure or otherwise, or that the security equipment will in all cases provide the protection for which it is installed or intended. Subscriber acknowledges that contractor is not an insurer, and that Subscriber assumes all risk for loss or damage to Subscriber's premises or its contents. Contractor has made no representations or warranties, and hereby disclaims any warranty of merchantability or fitness for any particular use. Subscriber's exclusive remedy for contractor's default hereunder is to require contractor to repair or replace, at contractor's option, any equipment covered by this contract which is non-operational. Subscriber authorizes contractor to access the control panel to input or delete data and programming.

5. EXCULPATORY CLAUSE: Subscriber agrees that contractor is not an insurer and no insurance coverage is offered herein. The security equipment is designed to reduce certain risks of loss, though contractor does not guarantee that no loss will occur. Contractor is not assuming liability, and, therefore shall not be liable to Subscriber for any loss, personal injury, data corruption or inability to retrieve data, or property damage sustained by Subscriber as a result of burglary, theft, hold-up, fire, equipment failure, smoke, or any other cause, whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by contractor's negligent performance, failure to perform any obligation or strict products liability. Subscriber releases contractor from any claims for contribution, indemnity or subrogation.

SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS OF THIS CONTRACT. READ THEM BEFORE YOU SIGN THIS CONTRACT. BUYER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY OF THIS CONTRACT AT TIME OF EXECUTION.

NORTHEAST SECURITY SOLUTIONS, INC.

By: _____

Dated: _____

(For residential customers only)
NOTICE OF CANCELLATION

YOU MAY CANCEL THIS AGREEMENT IF IT HAS BEEN SIGNED BY A PARTY THERETO AT A PLACE OTHER THAN AN ADDRESS OF THE SELLER, WHICH MAY BE HIS MAIN OFFICE OR BRANCH THEREOF, PROVIDED YOU NOTIFY THE SELLER IN WRITING AT HIS MAIN OFFICE OR BRANCH BY ORDINARY MAIL POSTED, BY TELEGRAM SENT OR BY DELIVERY, NOT LATER THAN MIDNIGHT OF THE THIRD BUSINESS DAY FOLLOWING THE SIGNING OF THIS AGREEMENT. SEE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

Subscriber/Buyer (Print Name)

By: _____
Subscriber/Buyer Signature

(Print Full Name of Signer)

Address

Tax or EIN (If a business)

6. **LIMITATION OF LIABILITY:** Subscriber agrees, that should there arise any liability on the part of contractor as a result of contractor's negligent performance to any degree, failure to perform any of contractor's obligations, equipment failure or strict products liability, that contractor's liability shall be limited to the sum of six times the monthly payment at time liability is fixed or the sum of \$250.00, whichever is greater. If Subscriber wishes to increase contractor's maximum amount of contractor's limitation of liability, Subscriber may, as a matter of right, at any time, by entering into a supplemental contract, obtain a higher limit by paying an annual payment consonant with contractor's increased liability. This shall not be construed as insurance coverage.

7. **INDEMNITY/WAIVER OF SUBROGATION RIGHTS/ASSIGNMENTS:** Subscriber agrees to and shall indemnify and hold harmless contractor, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third parties, or subscriber, including reasonable attorney's fees, and losses asserted against and alleged to be caused by contractor's performance, negligent performance or failure to perform its obligations. Parties agree that there are no third-party beneficiaries of this contract. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against contractor or its subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this contract without contractor's consent. Contractor shall be permitted to assign this contract and upon such assignment shall be relieved of further obligation under this contract.

8. **LIQUIDATED DAMAGES:** The parties agree that in the event Subscriber suffers damages as a result of contractor's negligence to any degree or failure to perform any obligation, it would be impractical and extremely difficult to anticipate or fix actual damages. Therefore, Subscriber agrees that should there arise any liability on the part of contractor, Subscriber agrees to accept \$250.00, or the amount provided for in paragraph 6, whichever is greater, as liquidated damages in complete satisfaction of such liability and contractor is released and discharged from any further liability.

9. **INSURANCE:** The Subscriber shall maintain a policy of public liability, property damage, burglary and theft insurance under which Subscriber and contractor are named as insured, and under which the insurer agrees to indemnify and hold contractor harmless from and against all costs, expenses including attorneys fees and liability arising out of or based upon any and all claims, injuries and damages arising under this agreement, including, but not limited to, those claims, injuries and damages contributed to by contractor's negligent performance to any degree or its failure to perform any obligation. The minimum limits of liability of such insurance shall be one million dollars for any injury or death, and property damage, burglary and theft coverage in an amount necessary to indemnify Subscriber for property on its premises. Contractor shall not be responsible for any portion of any loss or damage which 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. **INCREASE AND ADDITIONAL CHARGE:** After the expiration of one year from the date hereof contractor shall be permitted from time to time to increase the service charge by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase as invoiced. If Subscriber requests contractor to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber shall pay contractor \$50.00 for each such service.

11. **FALSE ALARMS/PERMIT FEES:** Subscriber is responsible for all alarm permits and permit fees, agrees to file for and maintain any permits required by applicable law and indemnify or reimburse contractor for any fines relating to permits or false alarms. Contractor shall have no liability for permit fees, false alarms, false alarm fines, police or fire response, any damage to personal or real property or personal injury caused by police or fire department response to alarm, whether false alarm or otherwise, or the refusal of the police or fire department to respond. In the event of termination of police or fire response by the municipal police or fire department this contract shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. Should contractor be required by existing or hereinafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay contractor for such service or material.

12. **IF THIS IS A CONSUMER TRANSACTION:** (a) contractor or any subcontractor engaged by contractor to perform the work or furnish material who is not paid may have a claim against Subscriber or the owner of the premises if other than the Subscriber which may be enforced against the property in accordance with the applicable lien laws.

13. **TESTING AND SERVICE OF COMMUNICATION SOFTWARE:** The parties hereto agree that the security equipment, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to test the operation of the security equipment and to notify contractor if any equipment is in need of repair. contractor shall not be required to service the security equipment if subscriber is in default and unless it has received notice from Subscriber, and upon such notice, contractor shall service the security equipment to the best of its ability within 36 hours, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 a.m. and 5 p.m. Subscriber agrees to test and inspect the security equipment and to advise contractor of any defect, error or omission in the security equipment. In the event Subscriber complies with the terms of this agreement and contractor fails to repair the security equipment within 36 hours after notice is given, excluding Saturdays, Sundays, and legal holidays, Subscriber agrees to send notice that the security equipment is in need of repair to contractor, in writing, by certified or registered mail, return receipt requested, and Subscriber shall not be responsible for payments due while the security equipment remains inoperable. In any lawsuit between the parties in which the condition or operation of the security equipment is in issue, the Subscriber shall be precluded from raising the issue that the security equipment was not operating unless the Subscriber can produce a post office certified or registered receipt signed by contractor, evidencing that service was requested by Subscriber.

14. **DELAY IN INSTALLATION:** contractor shall not be liable for any damage or loss sustained by Subscriber as a result of delay in installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of God, or other causes, including contractor's negligence or failure to perform any obligation. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence.

15. **LEGAL ACTION:** Any action by Subscriber against contractor must be commenced within one year of the accrual of the cause of action or shall be barred. All actions or proceedings against contractor must be based on the provisions of this agreement. Any other action that Subscriber may have or bring against contractor in respect to other services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement. Provided Subscriber has agreed to pay for service pursuant to paragraph 2(b), the parties agree that due to the nature of the services to be provided by contractor, the payments to be made by Subscriber for the term of this agreement are an integral part of contractor's anticipated profits and in the event of Subscriber's breach of this agreement it would be difficult if not impossible to reasonably estimate contractor's actual damages. Therefore, in the event of Subscriber's default of this agreement Subscriber shall pay to contractor 80% of the balance due for the term of this agreement as liquidated damages, and contractor shall be permitted to terminate all its services under this agreement without relieving Subscriber of any obligation herein. In the event contractor prevails in any legal proceedings between the parties, Subscriber shall pay contractor's attorney's fees. The parties waive trial by jury in any action between them. In any action commenced by contractor against Subscriber, Subscriber shall not be permitted to interpose any counterclaim.

16. **CONTRACTOR'S RIGHT TO SUBCONTRACT SPECIAL SERVICES:** Subscriber agrees that contractor is authorized and permitted to subcontract any services to be provided by contractor to third parties who may be independent of contractor, and that contractor shall not be liable for any loss or damage sustained by Subscriber by reason of fire, theft, burglary or any other cause whatsoever caused by the negligence of third parties and Subscriber appoints contractor to act as Subscriber's agent with respect to such third parties, except that contractor shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to contractor's disclaimer of warranties, exemption from liability, even for its negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignee, subcontractors and communication centers of contractor.

17. **NON-SOLICITATION.** Subscriber agrees that it will not solicit for employment for itself, or any other entity, or employ, in any capacity, any employee of contractor assigned by contractor to perform any service for or on behalf of Subscriber for a period of two years after contractor has completed providing service to Subscriber. In the event of Subscriber's violation of this provision, in addition to injunctive relief, contractor shall recover from Subscriber an amount equal to such employee's salary based upon the average three months preceding employee's termination of employment with contractor, times twelve, together with contractor's counsel and expert witness fees.

18. **SECURITY INTEREST/COLLATERAL:** To secure Subscriber's obligations under this agreement Subscriber grants contractor a security interest in the security equipment installed by contractor and contractor is authorized to file a financing statement.

19. **FULL AGREEMENT/SEVERABILITY:** This agreement constitutes the full understanding of the parties and may not be amended or modified or canceled except in writing signed by both parties except that in the event contractor issues a UL certificate to Subscriber, contractor will comply with Underwriters Laboratory, Inc. or any local law requirements regarding items of protection provided for in this agreement. This contract shall be governed by the laws of the State of Massachusetts. Should any provision of this agreement be deemed void, all other provisions will remain in effect.