

DEFINING SYSTEMS INC. 4110 Citrus Ave, Suite 8 Rocklin, California 95677 Office: (916) 259-2321 • Fax: (916) 259-2177 C7 #1029311 – ACO #7165 www.definingsystems.com

INSTALLATION AND PURCHASE AGREEMENT

This Installation and Purchase Agreement is entered into on _____(Date), by and between _____("you," "your") and Defining Systems Inc., a California corporation ("we," "us," "our").

YOUR INFORMATION					
Contact Person:					
Premises Address:					
Billing Address:					
	Cell Phone:				
Owner (if different fro	m above):				

1. Installation. We will sell and install, or cause to be installed, the equipment or perform the work described in Estimate

#_____ dated _____ to be Installed (collectively, "System") at your premises identified above ("Premises"). You chose the System or service. Additional, different, or higher levels of protection and service were discussed with you and are available from us at an additional cost.

Approximate Start Date: _____ Approximate Completion Date: _____ Starting the installation of wiring or the delivery of equipment to the Premises constitutes substantial commencement of the work to be performed under this Agreement. Our failure without lawful excuse to substantially commence work within 20 days from the approximate date specified in this Agreement is a violation of the Contractor's License Law and the Alarm Company Act. Upon completion of the installation, we shall thoroughly instruct you on the proper use of the System.

2. **Proposal.** This proposal must be accepted within 20 days from the date on its face, or we may withdraw it.

3. Contract Price. \$_____ Does not include electrical work or asbestos abatement.

You will pay us, our agents, or assigns the CONTRACT PRICE for all installation, labor, services, equipment, or materials to be provided or installed under this Agreement. You must not hold back or delay payment because of inclement or lack of suitable weather, while waiting for official building inspections, or for any other reason whatsoever.

4. Finance Charge. No finance charge or cost of credit is associated with this Agreement.

5. Down Payment. \$_____ THE DOWN PAYMENT MAY NOT EXCEED \$ 1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS.

6.	Schedule of Progress Payments.
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Payment upon Delivery of Equipment: \$_____ Payment due on Completion of Rough Wiring: \$_____

Payment upon Completion of Work (System operational per Proposal): \$ ____

Billable labor is determined by hours spent performing work on site as well as time spent designing and gathering materials. If the labor necessary for the completion of the System(s) installation exceeds the estimated hours, then each additional hour will be billed at a reduced rate of 40% the standard rate.

____ Your Initials

The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT. EQUIPMENT IS CONSIDERED DELIVERED UPON DELIVERY ON-SITE OR (UPON REQUEST) STORED AT A FACILITY OWNED OR OPERATED BY DEFINING SYSTEMS INC.

7. LIMITATION OF LIABILITY. WE AND OUR DIVISIONS OR AFFILIATES ARE NOT INSURERS OF YOUR PROPERTY OR THE PERSONAL SAFETY OF ANYONE ON YOUR PREMISES. YOU MUST OBTAIN ALL PROPERTY, LIFE, HEALTH, OR DISABILITY INSURANCE. THE PAYMENTS REQUIRED ARE BASED SOLELY UPON THE VALUE OF THE SYSTEM OR SERVICE, AND NOT ON THE VALUE OF YOUR PROPERTY OR THE PROPERTY OF OTHERS LOCATED IN OR ON YOUR PREMISES. WE MAKE NO GUARANTEE OR WARRANTY, INCLUDING AN IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, THAT THE SERVICE WILL AVERT OR PREVENT OCCURRENCES OR THE CONSEQUENCES THEREFROM, WHICH THE SYSTEM OR SERVICES IS DESIGNED TO DETECT OR AVERT. IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO DETERMINE IN ADVANCE (1) THE VALUE OF YOUR PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PREMISES, WHICH MAY BE LOST, STOLEN, OR DAMAGED IF THE SYSTEM OR SERVICE DOES NOT OPERATE PROPERLY; (2) THE RESPONSE TIME OF THE CENTRAL STATION, LAW-ENFORCEMENT AGENCY, FIRE DEPARTMENT, PARAMEDIC UNIT, OR GUARD SERVICE, IF ANY; (3) WHAT PORTION, IF ANY, OF A LOSS, DAMAGE, PERSONAL INJURY, OR DEATH WOULD BE PROXIMATELY CAUSED BY OUR FAILURE TO PERFORM OR OUR ACTIVE OR PASSIVE NEGLIGENCE; OR (4) WHETHER A VIDEO OR ACCESS CONTROL SYSTEM WOULD DETECT OR PREVENT UNAUTHORIZED INTRUSIONS OR ACTIVITIES.

IF WE OR OUR AGENTS OR EMPLOYEES ARE FOUND LIABLE FOR LOSS, DAMAGE, OR INJURY OF ANY KIND WHATSOEVER FROM OUR FAILURE TO PERFORM ANY OF OUR OBLIGATIONS UNDER THIS AGREEMENT, FAILURE OF THE SYSTEM, EQUIPMENT, OR SERVICE IN ANY MANNER, BREACH OF WARRANTY, OR OUR ACTIVE OR PASSIVE NEGLIGENCE, THEN OUR LIABILITY IS LIMITED TO A SUM EQUAL TO ONE HALF OF THE TOTAL PAYMENT DUE ABOVE OR \$750, WHICHEVER IS LESS. THIS IS NOT A PENALTY. THIS IS YOUR ONLY REMEDY REGARDLESS OF THE LEGAL THEORY USED TO FIND THE CENTRAL STATION OR US LIABLE.

YOU MAY OBTAIN A HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL CHARGE. IF YOU ELECT THIS OPTION, A RIDER WILL BE ATTACHED TO THIS AGREEMENT STATING THE TERMS, CONDITIONS, AND AMOUNT OF THE LIMITED LIABILITY AND THE ADDITIONAL CHARGE. WE ARE NOT AN INSURER EVEN IF A RIDER IS PROVIDED TO YOU.

8. List of Documents to be Incorporated into the Contract. Notice of Cancellation; Notice of Completion; **Monitoring Agreement.

9. Commercial General Liability Insurance ("CGL"). We carry commercial general liability insurance written by Philadelphia Insurance Company. You may call Rick Gombar Insurance Services, Inc. at (800) 446-6227 to check our insurance coverage.

10. Limited Warranty; Service and Repair. Call us at the number above to request service or repair.

A. Limited Warranty. We will make all repairs and replace parts without cost to you for a period of 90 Days from the date the System installation is complete if the System does not operate properly. Our service and repair includes all parts and labor for repairs necessitated by ordinary wear and tear, excluding equipment not installed by us. You must pay for those items at our then prevailing rates for parts and labor. The Limited Warranty does not cover any malfunction or damage caused by accident, misuse, acts of God, birds, rodents, or other animals, or installation by anyone other than us. Service and repair of this nature is provided at our then prevailing rates for parts and labor. Payment must be made upon completion of the work. This Limited Warranty is terminated immediately, and is of no force, if anyone other than an authorized company representative attempts the repair, service, or modification of any portion of the System.

B. After-Warranty Service. After-warranty service is provided as you request on a time and materials basis at our then current rates for parts and labor. A one-hour minimum is charged for any service call. Payment must be made upon completion of the work.

C. Repair or Replace. We may, in our sole discretion, either repair or replace the part, and may substitute new or reconditioned materials of equal quality at the time of replacement. If the repair costs exceed the replacement cost, we may replace the defective equipment with new or refurbished equipment substantially equivalent to or with comparable features as the existing equipment, if available. The replacement equipment may have a higher or lower selling price than the original equipment you have.

D. Hours; Remote Access. Service and repairs are usually performed as soon as reasonably possible. Service is provided between the hours of 8:00 a.m. and 6:00 p.m., Monday through Friday, excluding holidays. A responsible adult must be at the

Premises at the time of the service call. Emergency service is available at all other times at our premium labor rate. We may program, alter, or repair the System remotely, and you will allow us access to do so.

E. Liability. We are not responsible for loss or damage while the System is under repair or is awaiting parts. Any repair, service, replacement, or addition of equipment by us after the initial installation or programming of the System, whether covered by the Limited Warranty or otherwise, is governed by this Agreement, in particular Paragraphs 8, 25, and 32, which limit our liability.

O You Have discussed our warranty time frame as well as the terms and limitations of said warranty.

DISCLAIMER OF WARRANTIES; LIABILITY; CONSEQUENTIAL DAMAGES. OUR OBLIGATION TO 11. PROVIDE THE SYSTEM OR ANY OTHER SERVICES ARISES SOLELY OUT OF THIS AGREEMENT AND NOT THROUGH ANY OTHER MEANS. WE DO NOT REPRESENT OR WARRANT THAT THE SYSTEM OR SERVICE MAY NOT BE COMPROMISED OR BY-PASSED; WILL DETER OR PREVENT ALL BURGLARIES, HOLD-UPS, FIRES, SMOKE OR WATER DAMAGE, OR OTHERWISE; OR THAT IT WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT WAS INSTALLED OR INTENDED. WE OR OUR AGENTS OR EMPLOYEES MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EOUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. YOU DID NOT RELY ON ANY REPRESENTATION OR WARRANTY. EXPRESS OR IMPLIED. ANY AFFIRMATION OF FACT OR PROMISE DOES NOT CREATE AN EXPRESS WARRANTY. IF WE OR THE MONITORING CENTER WERE TO HAVE ANY LIABILITY GREATER THAN THAT AGREED TO BY YOU IN PARAGRAPHS 8. 25. AND 32 OF THIS AGREEMENT, WE COULD NOT AND WOULD NOT PROVIDE THE SYSTEM OR SERVICE. THE WARRANTY PROVIDED IN THIS AGREEMENT GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY HAVE OTHER RIGHTS WHICH VARY FROM STATE-TO-STATE. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU.

ACCEPTANCE

You are entitled to a completely filled in copy of this Agreement, signed by both you and us (the contractor), before any work may be started.

The prices, specifications, and conditions in this Agreement are satisfactory. You understand, approve, and accept this Agreement, in particular Paragraphs 8, 25, and 32, which set forth our maximum liability if there is any loss or damage to you or any third party. You may obtain a higher liability limit by paying an additional charge. You received a copy of this Agreement and a Notice of Cancellation. There are additional, different, or higher levels of protection and service available. The System provided is based upon your specific request, approval, and cost considerations, for which you will hold us harmless. You have the right to require us to have a performance and payment bond for certain work. You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction.

O The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a Notice of the Three-Day Right to Cancel.

YOU			DEFINING SYSTEMS INC.		
Dated:		Dated:			
	Print Your Name / Title		Authorized Company Representative		
Your Signature: _			Salesperson Name and No.:		
THIS AGREEMENT IS NOT BINDING UPON US UNLESS WE EITHER (1) APPROVE IT IN WRITING BY AN AUTHORIZED COMPANY REPRESENTATIVE, OR (2) START INSTALLATION. OUR SOLE LIABILITY IS TO REFUND TO YOU THE AMOUNT PAID TO US UPON THE					

SIGNING OF THE AGREEMENT IF WE DO NOT APPROVE THE AGREEMENT. 12. Access and Preparation. You will permit us to enter the Premises to install the System and will provide uninterrupted

access. You approve the locations where the control panel and System devices will be placed. We will try to conceal all wires, but the existing structure or other obstructions may require some of the wires to be visible. You authorize us to make any preparation such as drilling holes, driving nails, making attachments, or doing other things necessary for installation or service of the System.

Hazards. Before installation begins, you must inform us where not to drill or expose because of pipes, wires, equipment, or 13. hazardous materials. Unless so informed, we will decide where to drill holes and install equipment. We will use reasonable care to

avoid concealed items, but have no way to determine with certainty if any exist. All costs to repair or replace pipes, wires, equipment, walls, ceilings, floors, or furnishings are your sole responsibility. If asbestos or other hazardous materials are found during installation, we will stop all work until you have at your sole expense obtained clearance from a licensed asbestos or hazardous waste removal contractor that no danger exists. We are not liable for the discovery of or exposure to asbestos or other hazardous materials.

14. Note about Extra Work and Change Orders. Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.

15. Notice Regarding Performance of Extra or Change-Order Work. You may not require us to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order.

Extra work or a change order is not enforceable against you unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order: (a) the scope of work encompassed by the order; (b) the amount to be added or subtracted from the agreement; and (c) the effect the order will make in the progress payments or the completion date.

Our failure to comply with the requirements in this Notice does not preclude our recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

16. Your Duties as to Use of System; Battery and Device Replacement.

A. You must notify us immediately if the System does not operate properly or if there is a power failure or other interruption at your Premises.

B. If your System uses wireless battery-operated devices, you must replace the batteries when the System emits a lowbattery signal or *at least* every two years. You may also call us. We will replace the batteries at your expense at our then existing labor rates and service call fees, plus parts. The System will not function properly if you fail to replace the batteries.

C. If you have smoke detectors, you must replace them *at least* every ten years.

- D. If you have carbon monoxide detectors, you must replace them at least every three years.
- E. You must immediately notify us of any changes to the Premises or to any fixtures, furniture, or equipment.
- F. You must provide 24-hour electrical service and electrical outlets for the System.

G. You must provide adequate lighting for any camera or video system, and otherwise provide the proper environment for the System as reasonably requested. You will provide and maintain all storage media for the video system.

H. Obtaining and maintaining an alarm permit, if required, is your sole responsibility. You are solely responsible for paying for all alarm or system permits, licenses, or fees imposed by authorities having jurisdiction necessary for the use and operation of the System, and all other charges or fees imposed. You are solely responsible for determining whether the city, county, or governmental subdivision in which the Premises are located has or may later have statutes or ordinances requiring that you obtain and maintain a license or permit for the System.

I. Certain wireless or interactive services require a compatible computer, cell phone, or other mobile device with Internet and email access. Not all devices will work with these services. Cellular data providers may charge additional fees for accessing the System on wireless devices. These charges are your sole responsibility.

J. You must indemnify and defend us from any claim made by another alarm company regarding its contract with you.

17. Services Not Included. The following services are specifically excluded from this Agreement unless specifically provided for in a separate writing: (a) monitoring or transmission of alarm signals from your Premises, or the programming of the control panel, if monitored by others; (b) alarm response service; and (c) repair or service of the System, except as expressly provided for in Paragraph 11. If you want or require monitoring or any other type of service, you must make separate arrangements for the provision of those services. Except as expressly provided for here, we are not obligated to provide service or monitoring of any type on the System installed for you.

18. Audible Alarm Shut Off. If your security System has an audible alarm, we will install a device that automatically shuts off the audible alarm after it has sounded for not more than 15 minutes.

19. Your Plans and Specifications; Your Purchase Order. You must pay for all costs incurred for any work necessitated by errors in the plans provided if the System is installed or replaced according to your plans and specifications. If there is any conflict between this Agreement and your purchase order or other document delivered to us, this Agreement governs, whether the purchase order or document is prior or subsequent to this Agreement.

20. Authorities Having Jurisdiction. You are solely responsible for all costs necessitated by changes in the regulations or standards of any authority having jurisdiction, including the interpretation of the regulations and standards. You will promptly pay us for the cost of any modifications to the work under this Agreement that may be requested by the owner of the Premises if you are not the owner, or any authorities having jurisdiction, including building and safety departments, State Fire Marshall, local fire or electrical departments, insurance companies, homeowners associations, or any other federal, state, or local agency.

21. Title; Risk of Loss. We hold title to the System until you have paid for the System in full. If you fail to pay for the System in full, you must allow us to enter the Premises and remove all or any portion of the System and recover all damages to which we are entitled. Removal of the System is without prejudice to the collection of all sums due under this Agreement. After the commencement of installation, you bear the entire risk of loss for the equipment or components. We are not obligated to restore the Premises to its original condition or to redecorate the Premises if the System is removed for any reason. Our yard signs and window stickers remain our property at all times and may be removed by us.

22. Delay in Installation; Interruption of Service. We are not liable for any delay in the installation of the System or for the consequences of delay, regardless of cause or origin. We are not liable for any interruption of operation or the consequences therefrom, due to strikes, riots, floods, storms, earthquakes, fire, power failures, war, declared or undeclared, insurrection, terrorism, interruption or unavailability of telephone, cable, radio, cellular, Internet, or other transmission services, acts of God, or for any other cause, regardless of origin, beyond our control. We are not required to provide installation or any other services to you during these periods.

23. Acceptance of Installation. We will inspect the System together after it is installed. Any error or omission in the design, construction, or installation of the System must be brought to our attention in writing within 15 days after completion of installation. The installation is totally satisfactory to and accepted by you upon the expiration of 15 days.

24. Assignment; Rights of Subcontractors. We may assign this Agreement or our rights or duties here to any person or entity without notice to you. You must not assign this Agreement to any third party without our prior written consent signed by an authorized company officer. We may subcontract any of the work to be performed under this Agreement without notice to you. This Agreement, especially Paragraphs 8 and 32, protects our subcontractors in the same way that the paragraphs protect us.

25. Default; Late Charge. Any of the following constitute your default under this Agreement: (a) failure to pay any amount provided in this Agreement within fifteen days after the same is due; (b) failure to communicate or cooperate with us; (c) failure to perform any other obligations under this Agreement within ten days after written request; or (d) you become a debtor in a bankruptcy proceeding. If you default, we may discontinue all work or services upon seven-days written notice to you and accelerate and recover all amounts to become due under this Agreement, as well as all other sums to which we are entitled. You will pay a late fee of 5% of the total unpaid balance for any amount due that exceeds 15 days. An additional 5% charge will be applied per month until the balance is paid in full. You must pay a service charge of \$25 for each returned check.

O You have discussed our late charge policy and agree to the terms this policy.

26. Workers' Compensation Insurance. We carry workers' compensation insurance for all employees.

27. Mechanics Lien Release. Upon satisfactory payment being made for any portion of the work performed, we shall, prior to any further payment being made, furnish to you a full and unconditional release from any claim or mechanic's lien under *Civil Code* §3114 for that portion of the work for which payment has been made.

28. MECHANICS LIEN WARNING.

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

29. Notices. All notices regarding this Agreement must be in writing and may be served by personal delivery; by a reputable overnight carrier with all delivery charges provided for; or by certified mail, return-receipt requested, and regular mail with postage prepaid, to the addresses set forth in this Agreement or to any other address provided by one party to the other from time-to-time in writing.

30. Information and Privacy. Privacy cannot be guaranteed on telephone, cable, and computer systems. We are not liable to you for any claims or damages which may result from a lack of privacy experienced. You consent to us (a) using information about you and your location ("Information") to administer services, offer you new products or services, enforce the terms of this Agreement, prevent fraud and respond to regulatory and legal requirements; (b) providing Information, including information contained on your Call List and other personal information, to law enforcement or fire service personnel, and our subcontractors or assignees for the purpose of providing services or in response to a subpoena or other legal process; and (c) using and sharing aggregate customer information and statistics that do not include information that identifies you or your visitors personally. We may contact you by telephone, facsimile, e-mail, or other Internet services, with respect to the System and services we provide under this Agreement, and new offerings of systems or services we may make available in the future.

31. Third Party Indemnification; Subrogation. You must defend and indemnify us against all claims brought by others, whether for personal injury, property damage, or death. This provision applies to all claims regardless of cause, including our or the System's performance or failure to perform, defects in products, design, installation, activation, or service, negligence, warranty, contribution, indemnification, or strict products liability. So far as permitted by your liability or property insurance policy, you release us from all claims, whether the claims are made by or through you, including your insurance company or other parties, and must indemnify and defend us from all claims. You must notify your insurance company of these terms.

32. Time to Bring Suit; Venue; Governing Law. Any legal proceeding arising out of or relating to this Agreement, whether based upon contract, negligence, or otherwise, must be brought no later than one year after the claim arises. This Agreement is made and entered into in Placer County, California as if between people who live in California. The validity, meaning, and effect of this Agreement are determined under California law, regardless of choice of law principles.

33. Reference. Any dispute between us arising out of or relating to this Agreement (other than actions brought by us in small claims court to collect amounts due under this Agreement) will be resolved by a reference proceeding in Placer County, California, in accordance with the provisions of *California Code of Civil Procedure* §638 et seq. or successor sections. Reference constitutes the exclusive remedy for the resolution of any dispute arising out of or relating to this Agreement, including whether the dispute is subject to the reference proceeding. The referee will be appointed to sit as a temporary judge with all the powers of a temporary judge authorized by law. If the enabling Legislation that provides for the appointment of a referee is repealed and no successor statute is enacted, any dispute between us that would otherwise be determined by a reference procedure, will be resolved and determined by binding arbitration. That arbitration will be conducted by a retired judge of the Superior Court in accordance with *California Code of Civil Procedure* §1280 to 1294.2, as amended from time to time.

34. Entire Agreement. This Agreement is the final expression of and sets forth the entire agreement between the parties. No other agreements, representations, or warranties, express or implied, oral or written, have been made by any party to the other with respect to this Agreement. All prior and contemporaneous conversations, negotiations, and warranties are not relied upon and are waived. This Agreement supersedes and replaces all prior oral or written agreements or understandings between the parties. This is an integrated agreement. This Agreement cannot be changed verbally, and all changes must be in writing signed by authorized representatives of both parties. This Agreement governs if there is any conflict between this Agreement and your purchase order or other document delivered to us, whether the purchase order or document is prior or subsequent to this Agreement.

35. Enforceability. If any part of this Agreement is void, the remaining portions of the Agreement remain enforceable.

36. Waiver of Breach. No waiver of a breach of any term or condition of this Agreement is a waiver of any succeeding breach.

37. Interpretation; Construction. The captions are for convenience of reference only and have no force in the interpretation or construction of this Agreement. The neuter includes the masculine or feminine gender, and the singular includes the plural wherever the context requires. Each term of this Agreement is a condition to be fully performed. The rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

38. Authorized Signatories. The individuals executing this Agreement are authorized signatories and have the full power to enter into this Agreement, and make the representations and warranties set forth here.

39. Alarm Company License. Alarm Company Operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, California 95814.

40. Information about the Contractors' State License Board (CSLB). CSLB is the state consumer protection agency that licenses and regulates construction contractors.

Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information: Visit CSLB's Internet Web site at <u>www.cslb.ca.gov</u>. Call CSLB at 800-321-CSLB (2752). Write CSLB at P.O. Box 26000, Sacramento, CA 95826.

_____ Your Initial

NOTICE OF RIGHT TO CANCEL Notice of Cancellation

(Enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to:

DEFINING SYSTEMS INC. 4110 Citrus Ave, Suite 8 Rocklin CA 95677 Beau@definingsystems.com

not later than midnight of____

(Date)

I hereby cancel this transaction_____(Date)

(Buyer's signature)