

TO: Board of Commissioners

FROM: Margaret McAvoy, County Administrator/Controller

DATE: July 11, 2019

RE: Public Defenders Office Security

BACKGROUND

Isabella County has entered into a contract with the Michigan Indigent Defense Commission for the provision of legal counsel to indigent defendants. The contract is for a total cost of \$1,518,690.57, of which is a grant of \$1,285,383.69 and the remaining \$233,306.88 is provided by the County and referred to as the "Local Share".

As part of our plan and cost analysis, and as approved by the MIDC, the grant will pay an amount not to exceed \$35,000.00 for security costs at the facility to house the Isabella County Public Defender's Office. This office will be housed in a facility owned by the county. The attached proposal includes Base Access Control Security, Base Exterior Cameras, Base Panic Alarm Security, Base Intrusion Coverage, four internal office door card readers and Hallway/Lobby cameras.

The County has a mediation agreement with MIDC which states that "the state grant will pay for security system components, limited to exterior door keycards entries, exterior building surveillance cameras and corresponding equipment to ensure controlled access to the building and the duress alarm system contained in the compliance plan and cost analysis. MIDC will approve funding for the equipment specified in this section, not to exceed \$35,000.00".

FINANCIAL IMPACT

The initial security systems estimate included in the Isabella County MIDC Plan and Cost Analysis was \$86,000.00. This estimate was prepared by SecurAlarm based on the comparable system components in the current Isabella County Prosecutor's Office. This was the comparable office space suggested by the MIDC. As we now have an actual location for the Public Defender's Office, an accurate and exact estimate could be provided by the company.

Given the mediated agreement, the State Grant will be utilized to pay \$35,000.00 towards the expenses listed on the Financial Summary of the SecurAlarm Proposal of items 1, 2, 3 and 4 of \$42,425.00 with the balance paid from the Local Share and items 5 and 6 paid from the Local Share. The total cost of the project is \$59,288.00 with \$35,000.00 to be paid by the State Grant and \$24,288.00 to be paid from our Local Share.

OTHER CONSIDERATIONS

The County has maintained the position that the Public Defender's Office will have the same level of security as the County Building and specifically the Prosecutor's Office located within the County Building. This proposal accomplishes that goal.

SecurAlarm is the security company utilized by Isabella County for many of its facilities. This proposal will provide the connectivity and management of the system in a consistent manner with what is currently utilized. The County has been very satisfied with the equipment, installation and support provided to the County by SecurAlarm.

RECOMMENDATIONS

Consider entering into a contract with SecurAlarm for the provision of the Isabella County Public Defender's Office Security, at a cost of \$59,288.00, and authorize the Chairman to sign the Master Agreement incorporated into the proposal dated July 11, 2019.

ALTERNATIVES

Do not enter into attached agreement and seek an alternate solution.

ATTACHMENT:

Isabella County Public Defenders Office Security Proposal, July 11, 2019.

Proposal

Isabella County Public Defenders Office Isabella County Public Defenders Office Security

Prepared By:

Vincent Witt

Account Manager

SecurAlarm Systems, Inc.

616-240-6583

vwitt@securalarm.com

Michelle Doherty
Isabella County
200 N. Main Street
Mt. Pleasant, MI, 48858

RE: Isabella County Public Defenders Office Security

Thank you for the opportunity to provide you with this proposal for the security needs at the new Public Defenders office for Isabella County. The systems will be an extension of those used currently by the county. The access control and video will be an on the county Lenel platform and the panic alarm/ intrusion system will be Bosch. The proposal is broken up into 4 folders for your review. Below is the description of each folder.

Folder One - Four : Base Security Systems

These folders includes the start up off all systems including access control for 3 card doors, your cameras covering the exterior of the building, and the panic alarm and intrusion system. This folder includes all necessary head and equipment to be located in the IT room. We will need power for the head ends at this location. We will coordinate that need with your electrical contractor for the job. For Lenel we will be installing 3 total card access doors noted on the provided print in blue by the stamp of DP (door package) for all doors in this section we have included full door packages including the necessary door hardware. A new panel with the necessary controller and sub controllers will be added in the IT closet which will require 110V power and a data connection to the county network. The administration of the system will be done by IT as done in the other buildings. We have provided a switch but the connection to the Isabella network and the IP address scheme will need to be provided by Isabella IT. For video which is noted on the print as the green CF stamps we will supply 7HD Axis P3225 cameras as noted. The storage will be on a local NVR we are providing which has been designed to provide 30 days storage with all options and 25% spare capacity for future additions. As noted before we have a 24 port switch we are providing but will need to be connected to the network for Isabella and provided the IP addresses the county would like us to use. The final component will be a wireless panic button system on a Bosch B Series panel. The panic system will include the 12 duress buttons as shown on the print in brown as a DB (Duress Button). A keypad will also be provided at the main entrance into the building. The panel will communicate over IP communication and will require a static IP address to be provided by IT. Folder four expands the Bosch system to now cover the building for burg alarm during off hours. This including tying the door contacts from the card access doors to the Bosch system, providing door contacts on all exterior doors with out card readers and 4 motion detectors to cover if someone breaks a window and enters the main space. This coverage is shown on the print in Red.

Folder Five: Optional Readers Public Defenders and Investigators Offices

This folder provides card reader packages on the main entrance doors into the public defenders and the assistant public defenders office, the main hallway and Investigators office. Each office and the hallway door will have a full door package including the necessary door hardware for the system to work. The only exception as noted below is to have the new hallway door provided with door hardware by your door installation team. Details are on the customer responsibilities page. The cabling will be ran back to a sub controller in the IT closet. These readers are noted on the print in purple as DP (door packages).

Folder Six: Optional Hallway Cameras

For coverage of the hallways and lobby SecurAlarm has provided five Axis P3225 1080P cameras. They will be tied to the Lenel recorder provided in folder one. The cameras are noted on the print as orange CF stamps (fixed cameras).

Please refer to the attached System Investment document for a detailed list of the equipment that SecurAlarm is providing, and the financial summary.

SecurAlarm will provide the following :

Engineering, permit, one-line diagrams for cabling, software, equipment, electronic door hardware, miscellaneous materials, as-built documentation, applicable tax; labor to install all cabling/equipment and to program and commission.

The following items are specifically excluded from our scope of work :

- Door hardware for the door being added off the lobby to be provided by your door provider. Please see the client responsibilities page for clarification on what is needed.
- All cabling is to be ran in the attic space which it is out understanding there is access to. The only are planned with necessary conduit/wiremold is to get through the kitchen space. If any areas are not accessible when we are on site it will be a change order to create the new wire runs. A proposal for the changes will be provided at the time of discovery.

If you have any questions or require additional clarification please let me know. If you would like to proceed with this project as presented, please sign and return the Terms and Conditions section and we will get started.

Sincerely,

Vincent Witt

Account Manager
616-773-6300 (Office)
616-240-6583 (Mobile)
vwitt@securalarm.com

PROJECT IMPLEMENTATION

In anticipation of the system installation phase, SecurAlarm will dedicate a Project Manager or Project Facilitator to the project in order to ensure that the system recommended is provided to your satisfaction. This individual will be responsible for providing on-site support and management of our technicians and any partnering contractors. Our Project Managers and Project Facilitators have extensive background in the security industry and with the proposed system solution. Our installation team will be led by a Master or Lead Technician.

Work will be scheduled upon receipt of a signed/approved copy of this agreement or an approved purchase order. All material, parts, and equipment required for this project are readily accessible. Any long lead-time items will be identified for you in advance.

SecurAlarm will perform all work during normal business hours 7:00am - 5:00pm Monday through Friday. Work required outside of these days and times may need to be charged at the current rates for overtime, premium time, or holiday time as applicable. In the event that delays caused by either the client or other contractors prevent us from completing the project in a timely manner, SecurAlarm may seek additional compensation to off-set additional trips to the job site that will be required for the successful completion of the project.

Upon completion of the installation and programming process, SecurAlarm will perform comprehensive system testing in preparation for the commissioning process. SecurAlarm has also included training hours for the individuals responsible for supporting and administering the system.

SCOPE DETAILS - Installation Services

Door Hardware

SecurAlarm will provide and install the electronic door hardware indicated in the equipment list provided. Unless specifically listed, SecurAlarm will not provide mechanical door hardware, door closers, rekey locks, or refinish or align doors under this proposal. If door alignment problems are uncovered during installation, or if there are any fire rated doors that require re-certification, we will review them with you. You may contract with your own door and hardware supplier or utilize the one we have on-site to address any required adjustments or pre-existing condition.

Drawings and Documentation

SecurAlarm will supply a set of as-built drawings. The documentation will also include an operation manual and spec sheets on the major system components. It is our standard practice to develop these drawings in AutoCAD. Our ability to develop design documents and produce as-built documents is dependent upon the client providing AutoCAD files for our use. If no AutoCAD files are available, SecurAlarm may be contracted to create them on your behalf, utilizing a blueprint or .pdf of the building.

CLIENT RESPONSIBILITIES

Based on our understanding of the installation requirements, SecurAlarm acknowledges that you or your other contractors will provide the following items. Any additional costs incurred due to less than optimal circumstances (i.e. untimely communication of onsite date requirements, significant schedule shifts requiring return trips, incomplete scope or site information, inaccessibility of client support or in-house IT staff) could result in additional charges if our productivity or labor management costs are hindered as a result.

Video Workstations

The software client application will be installed by SecurAlarm on your workstations. For optimal performance, your workstations should meet the software manufacturer's suggested guidelines. These specifications have been attached or will be provided upon award of contract.

Network Infrastructure

The head end equipment and some of the devices are network compatible, and will require a static IP address and network switch port for each piece of control equipment. The address scheme shall follow standard TCP/IP protocols.

120VAC Power

Power will be required to feed our control equipment. We suggest 120 volts AC on a dedicated 20-amp circuit. It is likely that your current electrical service will support our needs; however our Project Manager will confirm this, and will specify where connections to our equipment will be needed. If electrical connections are necessary, the additional expense is not included in our proposal.

Allocation of Space

It is our understanding that you will make adequate mounting space available for all head-end devices and control equipment. Specific space requirements will be reviewed at the project kick-off meeting.

Door Hardware Supplier

We understand that the electronic door hardware will be provided and installed by your door hardware supplier. Please ensure that they are providing 24VDC hardware. SecurAlarm will coordinate directly with them to confirm that the hardware they are providing is compatible with the proposed solution. They will be responsible for installing the hardware; SecurAlarm will be responsible for cable connections.

SCOPE DETAILS - Professional Services

CENTRAL STATION MONITORING

SecurAlarm shall provide 24-hour monitoring and dispatch services via its UL-listed Central Station service provider. This will include 24-hour supervision of the alarm, supervisory, and trouble signals; 24-hour dispatching of security personnel, police, and/or fire personnel when appropriate; and notification of your personnel when appropriate.

GOLD SERVICE AGREEMENT

Thank you for the opportunity to describe our Service Agreement philosophy and commitment. It is our goal to provide continuity of coverage for your system at the software and hardware level, as well as provide technical support for the system users in order to maximize your return on investment by optimizing your use of the tools we have provided.

Equipment Repair & Replacement

The SecurAlarm Systems' Service Agreement provides for the repair or replacement of system components that fault or deteriorate due to normal causes or use. This is a service that extends coverage to all equipment installed by SecurAlarm or listed on the equipment list page of this proposal. Labor and materials associated with diagnosing the equipment problem; and then repairing or removing and replacing the faulty component with a new part, are included at no additional charge. The plan does not cover expendable items or damage caused by misuse or acts of nature.

It is our belief that in order for a Service Agreement to provide maximum impact, it should cover everything directly connected to the system regardless of whether it was newly installed or, in an attempt to leverage your previous investment in technology, pre-existing equipment was incorporated. To that end, this plan also provides coverage for pre-existing equipment. SecurAlarm will repair or replace, at our discretion, pre-existing equipment that was incorporated into the system as warranted. Pre-existing equipment covered under this plan will be identified on the equipment list page of this proposal.

The agreement excludes auxiliary systems that we may be monitoring or connected to, but which we are not responsible for servicing or maintaining; such as a fire pump or generator.

Audits

In order to ensure that your system functions as originally intended, SecurAlarm recommends that the system be audited regularly. The audit will serve to confirm appropriate functionality, identify preventive maintenance requirements, uncover system malfunctions, exercise integral system components, and thereby maximize the operational efficiency of the system. SecurAlarm will perform an audit of the system on a **Semi-Annual** basis according to pre-arranged schedule and provide a written report of the test results.

Help Desk Support

The service department is available to provide over-the-phone technical support, Monday-Friday from 8:00am-4:00pm. A Service Agreement entitles any trained user in your organization to Help Desk support for assisting with programming or troubleshooting questions that they may have. System Administrators in your organization will be registered in our Help Desk program as individual(s) authorized to access our Help Desk services. As calls for Help Desk support are received the SecurAlarm Service Administrator will confirm they would like their support time allocated to their Help Desk allowance or whether they would prefer to be billed for the call at the current SecurAlarm service rates. SecurAlarm will provide up to **10 hours** hours of Help Desk support to the client's organization per year.

Training

SecurAlarm Service Technicians and Service Engineers are equipped to enhance your knowledge of the system functionality by providing your team with additional training. Once your team has been using the system regularly it may be helpful to review the features of the system in greater detail. SecurAlarm will provide up to **10 hours** hours of on-site training per year.

Round-the-Clock Response

SecurAlarm Service Technicians are available 24 hours per day, 7 days per week, without exception for weekends or holidays. Should your request for service require after-hours assistance our team is at your service and there is no charge for their services provided that the issue involves the repair or replacement of SecurAlarm provided equipment or workmanship.

Emergency Response

If the system equipment is not functioning as intended, and therefore there is a breach in the protection provided, please indicate that you need emergency response to the situation when you call in for service. Within the Metropolitan Grand Rapids area SecurAlarm has a maximum guaranteed response time of **six (6)** hours. For clients located outside of the Metro GR area, travel time is added to the guaranteed maximum response time. If we are unable to respond within the time frame indicated, any non-warranty work will be billed at 50% off the discounted billable rates for each service plan tier.

Priority Response for Routine Service

In cases where the request for service is routine in nature, SecurAlarm will provide priority response. Calls received between 8:00am - 4:00pm Monday through Friday will be dispatched for service on the following business day.

Loaner Equipment

If SecurAlarm is unable to restore the system to its proper function within twenty-four (24) hours of its original response by repairing the system, SecurAlarm will provide loaner equipment from the SecurAlarm service pool as needed to restore the function of the system while the original equipment is being diagnosed or repaired. If the appropriate loaner equipment is not readily available, SecurAlarm will present a repair option, or a plan for restoring service, to the Client for review prior to removing any equipment from the site.

Service Work Discount

Platinum Service Agreement clients will be offered a **15% discount** from our standard hourly rate for any service work that is not covered under the terms of the Service Agreement.

FINANCIAL SUMMARY

Isabella County Public Defenders Office Security

1. Base Access Control Security \$14,551

QTY	Description
2	12 VDC / 24 VDC @ 6 Amp
2	Altronix power control module
1	Altronix power distribution unit
3	HID 5365 MiniProx mullion-mount proximity reader
3	Connection to Door Hardware
1	POCto Auto Openers
1	Program, test, and commission auto opener
1	Lenel Access Control training
1	Intelligent Dual Reader controller
1	Lenel LNL-1320 dual-reader subcontroller
1	Custom Lenel Enclosure for 4 board power supply
3	Door position switch
3	Battery, 12V, 7AH
3	Request-to-exit sensor

Professional Services - Monthly

Description	Ext. Price	Include
Gold Service Agreement	\$30	_____

2. Base Exterior Cameras \$21,422

QTY	Description
7	1080P Vandom 3-10mm Camera
7	Axis pendant-mount kit
7	Axis wall-mount bracket
1	Workstation Setup
1	Lenel Video Training
7	Lenel SW-CH1 Video channel license
1	BCD104-PVS-110-12T-4; BCD Inc.; Professional 1U 4-Bay Video Recording Server Xeon Silver
1	BCD-SA-WS19-5CAL-U; BCD; Windows Server 2019 5 User CAL Pack
1	US-24-500W; PSA; Switch, UniFi Series, w/ SFP, 24-Port, Managed, Gigabit, PoE+, 500 Watts
7	Panduit materials

Professional Services - Monthly

Description	Ext. Price	Include
Gold Service Agreement	\$85	_____

3. Base Panic Alarm Security \$3,617

QTY	Description
1	Bosch B5512 panel, (1) transformer, (1) Med enclos
1	Bosch Intrusion Equipment
1	Bosch 2-Line LCD Touch Keypad
12	DMP 2-button Fixed Position Wirelss Panic Button

Professional Services - Monthly

Description	Ext. Price	Include
Internet Monitoring - Connect One	\$37	_____

4. Base Intrusion Coverage \$2,835

QTY	Description
4	Ademco ceiling-mount passive infrared detector
1	Bosch Octo-input expander
6	POC from Lenel for F/O & H/Os
6	Program test and commission inputs for F/O H/Os in Bosch
6	Program test and commission Lenel Bosch
1	ConnectOne internet monitoring
1	ConnectOne Esseential App
2	Door position switch

Professional Services - Monthly

Description	Ext. Price	Include
Gold Service Agreement	\$15	_____

5. Optional Readers Public Defenders Offices

\$9,922

QTY Description

- 4 HID 5395 ThinLine wall-mount proximity card reader
- 4 Connection to Door Hardware
- 2 Lenel LNL-1320 dual-reader subcontroller
- 4 Door position switch
- 4 Request-to-exit sensor

Professional Services - Monthly

Description	Ext. Price	Include
Gold Service Agreement	\$40	_____

6. Optional Hallyway/Lobby Cameras

\$6,941

QTY Description

- 5 Axis P3225-V, 1080p resolution, 3-10mm
- 5 Lenel SW-CH1 Video channel license

Professional Services - Monthly

Description	Ext. Price	Include
Gold Service Agreement	\$25	_____

Financial Summary

Total System Investment:	\$59,288
Monthly Professional Services:	\$232
Deposit Due in Advance:	\$23,715
Balance Due Upon Completion:	\$35,573

This proposal includes sales/use tax, if applicable.

MASTER AGREEMENT

THIS AGREEMENT (15454-1-1) made this Thursday of July 11, 2019 by and between

SecurAlarm Systems, Inc.

921 47th Street
Grand Rapids, MI 49509
(hereinafter referred to as "SAS, Inc.")

and

Isabella County
200 N. Main Street
Mt. Pleasant, MI 48858
(hereinafter referred to as "Client")

That for the consideration hereinafter mentioned, SAS Inc., its agents, assigns, and/or subcontractors shall provide Services to Client, as indicated below and in accordance with Proposal No. 15454-1-1 (the "Proposal") and the attached Master Agreement Terms and Conditions, all of which form a part of this Master Agreement.

Services to be provided at the premises of the Client at: 2885 Health Parkway Mt. Pleasant, MI 48858.

✓	Installation		Platinum Service Agreement
✓	Central Station Monitoring	✓	Gold Service Agreement
	Unsupervised Open/Close		Silver Service Agreement
	Supervised Open/Close		Fire Alarm System Testing & Inspection
	Activity Reports		Fire Sprinkler System Testing & Inspection
	Elevator Phone Monitoring		Fire Pump Testing & Inspection
	Video Verification		Fire Extinguisher Testing & Inspection
	Software Protection		Critical Parts Stocking
	Managed Access Control		Special Provisions

The Services and billing for Services (other than Installation service) provided in this agreement shall begin on 8/17/2019. If no date is specified then any Service (other than Installation service) shall be deemed to have begun on the date such Service is first provided to the Client.

Client agrees to pay to SAS Inc. the sum(s) negotiated and contained in the Proposal (plus applicable sales taxes) as follows:

Installation

Total Amount	\$59,288
Deposit	\$23,715 Upon Signing of this Agreement
Balance	\$35,573 Payable in installments as set forth in the Proposal

All Other Services \$696 Payable Quarterly in advance as set forth in the Proposal

THE CLIENT ACKNOWLEDGES THAT THE TERM OF THIS AGREEMENT IS SET FORTH IN PARAGRAH G OF THE MASTER AGREEMENT TERMS AND CONDITIONS. THE CLIENT FURTHER ACKNOWLEDGES THAT SAS INC.'S LIABILITY IS LIMITED AS SET FORTH IN PARAGRAPHS H, I, J AND K, OF SUCH MASTER AGREEMENT TERMS AND CONDITIONS AND ACCEPTS THE LIMIT SET FORTH THEREIN. THE CLIENT ACCEPTS ALL THE PROVISIONS OF THIS AGREEMENT AND AGREES THAT THERE HAS BEEN NO RELIANCE PLACED ON ANY PROVISION NOT APPEARING HEREIN.

SecurAlarm Systems, Inc.

Isabella County Public Defenders Office:

Signature: _____
(Print Name) _____
Title: _____
Date: _____

Signature: _____
(Print Name) _____
Title: _____
Date: _____

SECURALARM SYSTEMS, INC.
MASTER AGREEMENT TERMS AND CONDITIONS

A. CLIENT AUTHORIZATION:

Client hereby authorizes and empowers SAS Inc., its agents or assigns as follows:

1. To enter the premises for the purpose of installing, inspecting, testing and repairing any system with respect to which Services are provided pursuant to this Agreement (the "System");
2. To enter the premises in answer to a signal as representative and agent of the Client.

B. SYSTEM AND SERVICES:

1. The Services to be provided hereunder are designated on the first page hereof, all as further described in the Proposal. If Software Protection Services are provided, the terms and conditions set forth in Exhibit I to this Agreement are herein incorporated by reference and made a part of this Agreement.
2. If Central Station Monitoring Services are to be provided pursuant to this Agreement, then SAS Inc. shall on receipt of an alert or alarm signal from the Client's premises make every reasonable effort to transmit the alarm promptly to the headquarters of the designated emergency service and SAS Inc. shall make a reasonable effort to notify the Client or his designated representative by telephone, unless instructed to do otherwise by the Client. SAS Inc. shall not be required to transmit the alarm signal to the designated emergency service if there is just cause to believe an emergency does not exist. For purposes of this Agreement, the designated emergency service shall be the municipal fire department for any alarm signal received from any fire, sprinkler, or waterflow alarm system, and the municipal police or law enforcement agency, for any burglary protection or other security system.
3. It is understood with respect to any Central Station Monitoring Services provided pursuant to this Agreement, that any fire department, police or law enforcement agency, or other designated emergency service to which alarm signals are transmitted hereunder, whether by SAS Inc. or directly from the Client's premises, are not agents of SAS Inc., and SAS Inc. assumes no responsibility and shall have no liability for the failure of any designated emergency service to monitor any such alarm signal or for any action or omission of such designated emergency agency in response to such signal.
4. If a Service Agreement is provided hereunder then during the term of this Agreement, all maintenance and repairs of the System required under such Service Agreement shall be performed by SAS Inc.
5. If the insurance interests, or any inspection agency having jurisdiction, or Client by his own act, shall require or make necessary any changes in the System as originally installed, Client agrees, on demand, to pay for the cost of such changes.
6. It is understood and agreed that SAS Inc.'s obligations relate to the Service of the specified System, and that SAS Inc. is in no way obligated to maintain, repair, service, operate or assure the operation of the property, system or any device or devices of the Client or of others to which SAS Inc.'s System is attached.
7. Unless the Proposal states otherwise, all work and repair of the System by SAS Inc. shall be made only during normal working hours, Monday through Friday, excluding holidays.
8. The Client acknowledges that the following are excluded from and not included within the Services provided by SAS Inc.: (a) Routine replacement of expendable components for Equipment (such as lamps tubes, ribbons, paper etc.). (b) Maintenance or service for any equipment or components that are not part of the Equipment List (c) Maintenance or service for any other equipment or components specifically excluded by SAS Inc. (d) Repair or replacement of any damage caused by misuse, abuse, accident, disaster, fire, flood, water, wind, lightning, or acts of God, or any items designed to fail in order to protect Equipment (such as surge protectors and lightning suppressors).

C. SETTINGS AND ACTIVATION OF AUTOMATIC SYSTEM:

In the event any automatic signaling System is furnished and Central Monitoring Station Services are provided under this Agreement, it is mutually understood and agreed by and between the parties hereto, that the Client shall specify the settings at which it is intended that signaling devices shall operate. With respect to any intrusion protection System for which Central Monitoring Station Services are provided under this Agreement, Client shall carefully and properly set the System each time at closing of Client's premises. Client shall carefully and properly test such System, including any ultrasonic, microwave, capacitance, or other electronic equipment associated with the system activation, prior to each closed period and shall immediately report to SAS Inc. any claimed inadequacy in or failure of the System. Client shall be responsible for testing the System periodically to verify that it is communicating with SAS Inc., and SAS Inc. shall not be responsible if any communication with SAS Inc. is terminated or interrupted because of any natural or human causes, including, without limitation, the cutting of any telephone line or any change in telephone or internet service.

D. FORCE MAJEURE AND OPERATION:

SAS Inc. assumes no responsibility and shall not be liable for any interruption of service due to strikes, riots, floods, fires, acts of God or any cause beyond the control of SAS Inc., including interruption in telephone services. SAS Inc. will not be required to supply service to the Client while interruption of service due to any such cause shall continue.

E. CLIENT'S OBLIGATIONS AND COVENANTS:

1. The Client authorizes SAS Inc. to provide Services on Client's premises during regular work hours and after hours to provide emergency response if such Services are provided pursuant to this Agreement. The Client agrees to furnish all necessary electric power at the Client's expense.
2. The Client shall provide SAS Inc. with IP access to permit SAS Inc. to remotely provide any Services capable of being provided by remote connection.
3. The Client shall supply or provide the necessary energy and power, telephone, internet services, required to operate any System, communicate with SAS Inc. and provide SAS Inc. remote access to the System at the Client's cost and expense. In the event of a power failure or other interruption of telephone or internet services at the Client's premises, the Client shall notify SAS Inc. immediately.
4. The Client shall be responsible for the any fines or charges levied by any municipality for false or nuisance alarms and all charges for telephone or internet services provided with respect to the System.

F. SERVICE FEES:

SAS Inc. shall have the right to increase periodic charges. If Client is unwilling to pay any revised charge, Client must notify SAS Inc. in writing fifteen (15) days prior to the otherwise effective date of the change, that this Agreement will be terminated on the effective date of the change, failing which it shall be conclusively presumed that Client has agreed to such increase. In the event that Client objects to such increase, SAS Inc. may elect in its sole and absolute discretion, to (i) continue this Agreement under the terms and conditions in

effect immediately prior to such increase, without notice to Client, or (ii) terminate the Agreement upon (15) days advance written notice to Client.

G. TERM:

Except as otherwise herein provided, term of this Agreement, as it applies to any Services other than installation services, commence on the date of this Agreement and shall continue in effect until the expiration of five (5) years from the date the Services begin, and shall be automatically renewed annually thereafter for successive one year terms unless terminated by either party by written notice delivered to the other party thirty (30) days prior to the expiration date of the initial term or any renewal term. All terms and conditions of this Agreement applicable to any installation services shall become effective upon the date of this Agreement.

H. LIMITED WARRANTY:

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT OR THE PROPOSAL, SAS INC. MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SYSTEM. THERE ARE NO IMPLIED WARRANTIES WHATSOEVER. If Installation services are provided, SAS Inc. warrants that a System installed by SAS Inc. will be free from defects, which will entitle the Client to the repair or replacement of any portion of the System which is defective without cost for parts if Client notifies SAS Inc. within one (1) year from the date of substantial completion, and without cost for labor if Client notifies SAS INC. within 90 days from the date of substantial completion, provided that such warranty shall not entitle Client to replacement, maintenance or services otherwise excluded from Services under Paragraph B.8. NOTWITHSTANDING THE FOREGOING OR ANY OTHER PROVISION OF THE MASTER AGREEMENT OR THESE TERMS AND CONDITIONS, SAS INC. MAKES NO REPRESENTATION OR WARRANTY THAT THE SYSTEM OR SERVICE INSTALLED OR SUPPLIED WILL NOT BE COMPROMISED OR THAT THE SYSTEM OR SERVICES WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH THEY ARE INTENDED AND ANY SUCH WARRANTY THAT THE SYSTEM IS FREE FROM DEFECTS SHALL NOT IMPACT THE LIMITATION OF LIABILITY SET FORTH IN PARAGRAH I BELOW. No person other than an authorized officer may make any warranty with respect to the System, except as expressly made herein, and any statements to the contrary are unauthorized and not valid and are of no effect.

I. LIMIT OF LIABILITY:

IT IS AGREED THAT SAS INC. AND EACH OF ITS SUPPLIERS, CONTRACTORS, SUBCONTRACTORS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AFFILIATES AND REPRESENTATIVES (HEREIN REFERRED TOGETHER WITH SAS INC., AS "INDEMNIFIED PARTIES") ARE NOT INSURERS AND THAT IT IS NOT THE INTENTION OF THE PARTIES THAT SAS INC. OR ANY OTHER INDEMNIFIED PARTY ASSUME RESPONSIBILITY FOR ANY LOSS OCCASIONED BY FAILURE, DUE TO MISFEASANCE IN THE PERFORMANCE UNDER THIS AGREEMENT, OR OTHERWISE OF THE SERVICES TO BE PROVIDED HEREIN. CLIENT AGREES THAT SERVICES, SYSTEMS AND EQUIPMENT PROVIDED HEREUNDER CANNOT CAUSE AND CANNOT ELIMINATE OCCURRENCES OF THE EVENTS THEY ARE INTENDED TO DETECT. SAS INC. MAKES NO WARRANTY THAT THE SERVICES, SYSTEM OR EQUIPMENT SUPPLIED WILL DETECT OR PREVENT SUCH EVENTS OR THE CONSEQUENCES THEREFROM. ACCORDINGLY, SAS INC. AND ALL OTHER INDEMNIFIED PARTIES SHALL HAVE NO LIABILITY, AND ASSUME NO RESPONSIBILITY TO THE CLIENT OR ANY OTHER PERSON FOR ANY DAMAGES FOR DEATH, PERSONAL INJURY OR PROPERTY LOSS, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE OR OTHER DAMAGES OF ANY KIND WHATSOEVER, WHETHER ARISING FROM ANY SUCH EVENT, THE NEGLIGENT OR OTHER FAILURE OF SAS INC. TO PERFORM ANY OBLIGATION UNDER THIS AGREEMENT, THE FAILURE OF THE SYSTEM TO OPERATE PROPERLY, THE FAILURE OF THE SYSTEM TO DETECT OR PREVENT ANY SUCH EVENT OR PREVENT DEATH, PERSONAL INJURY OR PROPERTY LOSS, OR ANY DELAY IN RESPONSE TIME OR NON-RESPONSE OF POLICE, FIRE OR THEIR AUTHORITIES, INSTITUTIONS OR INDIVIDUALS NOTIFIED BY SAS INC. OR ITS SUBCONTRACTORS. CLIENT RELEASES AND WAIVES FOR ITSELF AND ITS INSURER ALL SUBROGATION AND OTHER RIGHTS TO RECOVER FROM SAS INC. OR ANY OTHER INDEMNIFIED PARTY ARISING AS A RESULT OF PAYING ANY CLAIM FOR LOSS, DAMAGE OR INJURY OF CLIENT OR ANY OTHER PERSON. No proceeding, claim, or other action may be commenced by the Client against SAS Inc. or any indemnified Party in any court more than one (1) year following the date of the act, omission or event on which the proceedings, claim or action are based. Nothing in this paragraph shall limit the responsibility of SAS Inc. to repair or replace any portion of a System installed by SAS Inc. which is defective strictly in accordance with the terms of the warranty.

J. CLIENT'S INDEMNIFICATION:

CLIENT AGREES TO AND SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SAS INC. AND ANY INDEMNIFIED PARTY FROM, FOR AND AGAINST ALL LIABILITIES, LOSSES, DAMAGES, COSTS OR EXPENSES, INCLUDING ATTORNEYS FEES ("LOSSES"), ARISING OUT OF ANY EVENT, OCCURRENCE OR CONDITION RELATING TO CLIENT'S PREMISES AND ANY CLAIMS OR LAWSUITS RELATING THERETO BROUGHT BY PARTIES OTHER THAN THE PARTIES TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION CLIENT'S OR ANY OTHER PERSONS INSURER. THIS PROVISION SHALL APPLY WITH RESPECT TO ALL LOSSES REGARDLESS OF CAUSE INCLUDING SAS INC.'S PERFORMANCE OR FAILURE TO PERFORM AND INCLUDING DEFECTS IN PRODUCTS, DESIGN, INSTALLATION, MAINTENANCE, OPERATION OR NON-OPERATION OF THE SYSTEM WHETHER BASED UPON NEGLIGENCE, ACTIVE OR PASSIVE, WARRANTY, OR STRICT OR PRODUCT LIABILITY ON THE PART OF SAS INC. OR ANY INDEMNIFIED PARTY, BUT THIS PROVISION SHALL NOT APPLY TO CLAIMS FOR LOSS OR DAMAGE SOLELY AND DIRECTLY CAUSED BY AN EMPLOYEE OF SAS INC. WHILE ON THE CLIENT'S PREMISES.

K. SUPPLIERS, CONTRACTORS AND SUBCONTRACTORS:

THE CLIENT ACKNOWLEDGES THAT THE PROVISIONS OF THIS AGREEMENT, AND PARTICULARLY THOSE PARAGRAPHS RELATING TO DISCLAIMER OF WARRANTY, REMEDIES, LIMIT OF LIABILITY AND THIRD PARTY INDEMNIFICATION INURE TO THE BENEFIT OF AND ARE APPLICABLE TO ANY SUPPLIERS, CONTRACTORS, AND SUBCONTRACTORS ENGAGED BY SAS INC. TO SUPPLY PRODUCTS OR COMPONENTS WHICH ARE PART OF THE SYSTEM OR TO PROVIDE MONITORING, MAINTENANCE, INSTALLATION, TESTING, OR SERVICE OF THE SYSTEM PROVIDED HEREIN, AND BIND THE CLIENT TO SAID SUPPLIERS, CONTRACTORS AND SUBCONTRACTORS WITH THE SAME FORCE AND EFFECT AS THEY BIND THE CLIENT TO SAS INC. THE CLIENT AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS SAS INC. AGAINST CLAIMS BY ANY ORGANIZATION ENGAGED TO MONITOR THE CLIENT'S SYSTEM OR TO WHICH A SIGNAL FROM THE SYSTEM MAY BE TRANSMITTED.

L. DEFAULT, TERMINATION OR CANCELLATION:

1. This Agreement may be terminated at any time, at the option of SAS Inc., if:

- (i) SAS Inc.'s premises for receiving alarm signaling (the "Receiving Station") or the connection wires or equipment within the Client's premises are destroyed by fire or other casualty or so substantially damaged that it is impracticable to continue service;
- (ii) SAS Inc. is unable either to secure or retain the connections or privileges necessary for the transmission of signals between the Client's premises and SAS Inc.'s Receiving Station, or between SAS Inc.'s Receiving Station and the municipal fire department, municipal police or law enforcement agency or other designated emergency service; or
- (iii) the Client fails to follow the operating instructions provided for the System resulting in an unusual number of false alarms or damage to the System, or if the premises in which the System is installed are so modified or altered as to render service hereunder impractical

In no event will SAS Inc. be liable for any damages or subject to any penalty as a result of such termination.

2. In the event the Client defaults in the performance of this Agreement in any manner whatsoever, including failure to make payments as specified, the balance of all monies due for the unexpired term of this Agreement shall become due and payable to SAS Inc. immediately.

3. In the event of a termination of this Agreement, no amount previously paid by the Client, including the installation price for any System installed by SAS Inc., shall be refunded to the Client, except that in the event of a default by SAS Inc., any advance payments made for service to be supplied subsequent to the date of such termination shall be refunded to the Client.

M. ASSIGNABILITY; SUBCONTRACTS:

This Agreement is not assignable by the Client without the prior written approval of SAS Inc. SAS Inc. may assign this Agreement or subcontract all or any part of the obligations or services of SAS Inc. hereunder to any person without consent of the Client, including but not limited to, reviewing and monitoring of alarm signals, and repair and maintenance of the System.

N. SEVERABILITY:

Any provision or term of this Agreement which shall be found to be contrary to law or otherwise unenforceable shall not affect the remaining terms of this Agreement, which shall remain in full force and effect as if the unenforceable provision were not included herein.

O. APPROVAL:

This Agreement shall not be effective until executed in writing by an authorized representative of SAS Inc... Further, this Agreement supersedes all previous Agreements and any Riders thereto, between the parties.

P. ENTIRE AGREEMENT:

The entire Agreement of the parties is expressed hereinabove and in the Terms and Conditions no verbal understandings or agreement shall alter, change or modify the terms and provisions of this Agreement. It is understood and agreed by and between the parties hereto, that if there is any conflict between this contract and the Client's purchase order, or any other document, this contract will govern, whether such purchase order or other document is prior or subsequent to this Agreement.

Q. TITLE TO SYSTEM:

For Installation Services SAS Inc. shall retain title to all of the equipment, wiring, and other materials furnished in connection with the Installation of the System until the total amount for the Installation is paid in full. In the event of a default in payment of the total amount, SAS Inc. shall be entitled to enter the premises and remove such equipment, wiring and other materials, and SAS Inc. shall have no obligation to repair or restore the premises, and shall have no other liability or obligation in connection therewith.