



Terms and Conditions of the Telguard Advantage Program as Sponsored by Telular Corporation

1. Service Activation and Rate Plan Discounts

- a. The Telguard Advantage Program ("The Program") offers security dealers the opportunity to achieve preferred pricing for activation of and monthly service rate plans for Telguard products. Only specifically designated rate plans ("TAP Plan") for The Program will provide the preferred pricing.
- b. Security dealers who register and participate in The Program ("Participating Dealers") will be categorized into a pricing tier ("Tier") to determine the level of preferred pricing for activations of and monthly service rate plans for all newly installed Telguard devices. The preferred pricing of any Tier will not apply retroactively to devices installed prior to a Participating Dealer entering The Program.
- c. The Tier to which a Participating Dealer is assigned is determined on the first day of each month ("Determination Day") and is based on the number of annually activated devices ("AAD"). AAD represents the total of all Telguard devices activated during the twelve month period ending on the day immediately prior to each Determination Day. Each Telguard device that is included in the calculation of AAD must represent an active and billable account as of the Determination Day.
- d. Once a Tier is established for a Participating Dealer on the Determination Day, the pricing of that Tier shall apply to all Telguard devices installed during the ensuing month using a TAP Plan. The Tier to which a Participating Dealer belongs is subject to change monthly based on the calculation of AAD for each month. However, once a device has been activated and assigned a rate plan, the rate plan for that device will not be affected by future Tier changes of the Participating Dealer, but may change based on changes to such Tier that are applicable to all devices under such Tier.
- e. Except as provided herein, Telular reserves the right to amend, suspend, or terminate The Program at any time, with 30 days written notice. This could include, but is not limited to, a modification to the number of Tiers, the designated pricing within each Tier, or the elimination of The Program entirely. However, any such modification or termination will NOT impact the rate plan of any device previously installed under The Program for a period of 12 months from activation, and thereafter the rate plan may change based on changes to such Tier that are applicable to all devices under such Tier.



- f. If a Participating Dealer assumes responsibility for a previously active Telguard device installed by another dealer, this device will be considered a new activation for the current month and the current Tier pricing shall apply if activated using a TAP Plan.
 - g. In the event a Participating Dealer is downgraded to a lower Tier based on the AAD calculation on any Determination Day, the Participating Dealer shall be granted a three (3) month period to remain at the previous Tier and attempt to increase AAD in order to retain the higher Tier. If the AAD has not increased sufficiently within three months, the downgrade of the Tier will become effective at the end of such three (3) month period.
2. Hardware Discounts
- a. Participation in The Program entitles Participating Dealers to realize a discount on hardware purchases at participating distributors. The Program is recognized by many national and regional distributors. A list of distributors recognizing the Telguard Advantage plan can be found at www.telular.com/telguardadvantage.
 - b. Participating Dealers should notify Telular about which distributor(s) they purchase Telguard devices from so that Telular can notify that distributor(s) regarding the Participating Dealer's membership in The Program. Telular cannot guarantee the participation of any particular distributor in allowing discounts under The Program.
 - c. Telular will at times make additional discounts available to members of The Program via distributors. The additional discounts may be related to specific hardware models or the entire Telguard product line. There is a possibility that some offers will be only for specific distributors. Please refer to www.telular.com/telguardadvantage for the current list of discounts and the distributors recognizing them.
 - d. Telular reserves the right to change the hardware discounts offered to distributors at any time without notice.
 - e. New Participating Dealers should allow up to 30 days for their account to be recognized as a Program member by their preferred distributor.
 - f. Participation in The Program does not in any way affect the warranty of any Telguard device.
3. Correspondence
- a. All official correspondence between Telular and Participating Dealers will be conducted via email. All Participating Dealers must submit a valid email address in order to participate in The Program.
 - b. All official inquiries regarding The Program must be made via email to TelguardAdvantage@telular.com.
 - c. Telular may send periodic emails to Participating Dealers regarding The Program. Participating Dealers should verify that the email



address of TelguardAdvantage@telular.com is not blocked by any email filters. The inability of Telular to send these messages could result in disqualification of the Participating Dealer from The Program.

4. Transferability:

- a. The preferred pricing attained by any Participating Dealer through participation in The Program is not transferrable to any other dealer.
- b. In the event of a merger between a Participating Dealer and any other dealer, whether participating or not, an authorized Telular representative will determine the Tier of the newly combined entity going forward.

5. Limited Liability:

- a. Telular's maximum liability to any Participating Dealer for any claim arising from participation in The Program shall be limited to the value of any discount that may have been improperly denied. If Telular improperly denies a program benefit, the member's exclusive remedy shall be the issuance of the improperly denied credit or benefit if available, or an alternative comparable benefit as determined by Telular.

6. Fraud

- a. Telular reserves the right to exclude any Participating Dealer from further participation in The Program for cause, which may include, but is not limited to, any action taken by the Participating Dealer in connection with The Program that can be deemed to be fraudulent or any other action that is a gross abuse.

7. Privacy Statement

- a. Except as disclosed in this section, we do not sell, trade, rent, or otherwise retransmit any personally identifiable information we collect online unless we have your permission. Any personally identifiable information provided to us will be used exclusively to administer The Program for the Participating Dealers.

8. Audit

- a. Telular reserves the right to review the account of the Participating Dealer in order to ensure the AAD calculation is based on accurate information and includes only valid active accounts. If it is determined that ineligible devices are included in the AAD calculation, Telular can adjust the calculation and adjust the Tier without notice, and may recover any underpayment of service and activation fees. If it is determined that the Participating Dealer willfully included ineligible accounts in the AAD calculation, Telular reserves the right to terminate the Participating Dealer's participation in The Program without notice.

9. Sales Contests



- a. Periodically, Telular may offer sales contests to Participating Dealers. Specific terms and conditions of any sales contest will be subject to separate terms and conditions.