



SERVICE AGREEMENT

Controlit®

Tel: 866.543.5433

Fax: 1.877.ITURAN1

[1.877.488.7261]

This Agreement is made this ____ day of _____, 20__ between Ituran USA Inc., a Delaware corporation having its principal place of business at 1700 NW 64 St., Suite 100, Ft. Lauderdale Florida, 33309 ("Ituran") and _____, with having its principal place of business at: _____ ("Dealer").

ITURAN is engaged in the design, manufacturing and distribution of vehicle location and monitoring products and services, including the "Controlit®" equipment and certain other products (collectively, the "Product") and the DEALER desires to purchase the Products from Ituran, subject to the terms and conditions set forth in this Agreement.

Therefore, and in consideration of the foregoing, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- Entire Agreement. It is understood and agreed between DEALER and ITURAN that this Agreement is intended to and does, in fact, constitute the entire agreement between the parties and supersede all negotiations, preliminary agreements and all prior or contemporaneous discussions and understandings of the parties hereto in connection with the subject matters hereof. This Agreement may be altered, supplemented or modified from time to time by ITURAN provided that any such changes have been published by ITURAN at its website www.IturanUSA.com and DEALER agrees to be bound and obligated by such Terms and Conditions, as amended from time to time. This Agreement is binding upon and shall inure to the benefit of DEALER and ITURAN and their respective employees, agents, representatives, successors, heirs, licensees, subcontractors and permitted assigns.
- Installation of the Product. Ituran may offer installation instructions upon purchase of the Product as well as provide on-site training for a fee if requested by Dealer. Ituran may also offer technical support to Dealer relating to installation of the Product. Ituran shall not be responsible for any condition created during the installation of the Product. Ituran shall not be liable for any damage (to the vehicle or the Product) resulting from installation.
- Pricing and Payment. Ituran shall make the Products available to Dealer, as listed in Section B (Service Plan & Order Summary), provided that all orders have been accepted by Ituran. The mode of shipping will be at Ituran's discretion and all shipping shall be at the expense of Dealer by terms FOB from Ituran's office. Payment for Products shall be made by Dealer prior to shipping and shall be by wire transfer, certified check or credit card. Ituran shall be under no obligation to ship any Products in the event that Dealer owes money on account to Ituran.
- Return Policy. All sales of Ituran Controlit products are final. At the sole discretion of the Controller, Ituran may consider issuing a refund in the same payment form as the original purchase, less a 20% restocking/processing fee; provided that (i) the unit has been returned to Ituran within 14 days from the date the unit was first shipped to the customer and (ii) the returned unit has never been opened or installed.
- Change in Terms. Dealer will advise Ituran in writing of any change in management or ownership of Dealer within fifteen days of such change. As set forth in above, Ituran may change any of the terms of this Agreement and the new terms shall become effective on the date specified, unless Dealer gives written notice of termination to Ituran not later than 15 days prior to such effective date. Thereafter,



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this Agreement shall terminate on the thirtieth (30) day after the date on which Dealer has given such notice of termination and the terms then existing shall remain in effect until such termination.

6. Coverage Area. Dealer acknowledges that one hundred percent (100%) coverage of any area at all times is improbable for any equipment that is dependent on wireless communication. Although ITURAN has partnered with multiple providers in order to maintain redundant wireless solutions for the continued operation of the Product, ITURAN is dependent upon such third-party wireless providers to maintain their wireless connectivity and coverage area. Because such third party providers have reserved the right to change and modify their transmission technology, transmission format and/or the coverage area, from time to time and without notice, any hardware obsolescence, deviations from or changes to the coverage area shall not constitute default by ITURAN. Additionally, the existence of adverse naturally and artificially occurring conditions can interrupt service at times. Dealer further acknowledges that certain circumstances or events beyond the control of Ituran may interfere with or prevent the proper operation of the Product. Dealer further acknowledges that in the event any communications system or telephone or transmitting equipment is interrupted or inoperative for any reason or by any cause, there is no indication of this fact at the monitoring station and Ituran's services hereunder will be interrupted and Ituran shall have no liability to Dealer or to any third party in connection with any such interruption of services.

7. Cancellation of Agreement. This Agreement can be terminated upon ten (10) days written notice by either party for breach of any term or provision hereof, and immediately for theft, misrepresentation, or incorrect presentation of fact, or conduct creating embarrassment for the other party. Ituran may terminate the contract immediately if Dealer (or management of Dealer) voluntarily abandons its business, is convicted or pleads no contest to a charge of violating any law relating to Dealer's business, commits any act which materially impairs the goodwill associated with Ituran's or the Products' trademark, trade name, service mark, logo type or other commercial symbol.

8. Privacy Notice and Release. By purchasing this Product and entering into this Agreement, Dealer hereby agrees that Dealer will not use the Product in any manner or fashion which violates any rights of others, including but not limited to the right of privacy, or in a manner or fashion contrary to applicable law. Dealer commits to disclose the existence of the product to all authorized users of any vehicle in which the product is installed (including any employees or agents of Dealer if installed in a commercial vehicle). DEALER HEREBY AGREES TO INDEMNIFY AND TO HOLD HARMLESS ITURAN (AND ITS AGENTS, REPRESENTATIVES, EMPLOYEES AND ASSIGNS) FROM AND AGAINST ANY AND ALL COSTS AND LIABILITIES (INCLUDING BUT NOT LIMITED TO REASONABLE ATTORNEYS' FEES) RESULTING FROM ANY VIOLATION OR ALLEGED VIOLATION OF ANY APPLICABLE LAW OR INFRINGEMENT OF THE RIGHTS OF ANY THIRD PARTY ARISING FROM THE USE OR MIS-USE OF THE PRODUCT IN A MANNER OR FASHION CONTRARY TO APPLICABLE LAW.

9. Limited Warranty; Private Statute of Limitations. ITURAN offers the original Dealer a Limited Warranty that the Product and its enclosed accessories will be free from defects in material and workmanship for one (1) year from the date of purchase on the terms and conditions set forth on the Limited Warranty. An additional warranty period is available for an additional charge. ITURAN will repair and/or replace any defect in material or workmanship without charge to Dealer for a period of one (1) year from the date of purchase (or for such additional period, if an additional warranty period is purchased by PURCHASER). This Limited Warranty constitutes the only warranty made by ITURAN.



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This limited warranty does not cover (i) any damage or defect due to acts of God, accident, misuse, abuse, negligence, operation contrary to Product instructions, modification of the Product or any part of the Product or obsolescence of the Product; (ii) damage or defect due to improper operation or maintenance, or connection to improper voltage supply, unless such voltage connection was performed by an Ituran agent or employee; (iii) periodic maintenance, repair and replacement of parts due to normal wear and tear, and (iv) damage to the Product caused by heat or water exposure or due to improper installation (unless such installation was performed by an Ituran agent or employee). This limited warranty does not cover damage or defect due to repair or service of the Product by anyone other than service personnel specifically authorized by Ituran. This limited warranty is void for any non-commercial use of the Product. This limited warranty is invalid if the Product serial number has been altered, removed or rendered illegible.

Ituran's entire liability and Dealer's sole and exclusive remedy with respect to any breach of the foregoing warranty by Ituran shall be replacement of the Products as provided above. Except for the limited warranty expressly given above, Ituran makes no express warranties, and hereby excludes and disclaims in their entirety all implied warranties, including, without limitation, the implied warranties of merchantability and fitness for a particular purpose, with respect to any Products provided by Ituran. In no event shall Ituran be liable for any lost profits, exemplary, special, incidental or consequential damages whatsoever arising out of this Agreement (even if Ituran has been advised of the possibility of such damages), or arising out of the use of or inability to use the Products or any other goods or products for any reason and for any purpose whatsoever. Any action by Dealer for breach of any terms of this Agreement must be commenced by Dealer within one (1) year after the date the cause of action accrues. In the event that Section 8 is deemed unenforceable for any reason whatsoever, Ituran and Dealer agree that in case of Ituran's failure to perform results in any damages to Ituran, the ultimate customer or any third party, ITURAN'S LIABILITY SHALL BE LIMITED TO THE SUM OF ONE THOUSAND DOLLARS (\$1,000.00) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND THIS LIABILITY SHALL BE EXCLUSIVE.

10. Taxes and Limitation of Liability. It is understood and agreed that Ituran is not an insurer, and that other insurance, if any, covering personal injury and death and property losses or damage incurred by Dealer or caused by Dealer shall be obtained by Dealer (or the purchaser); that Ituran is being paid for the Product sold pursuant to this Agreement and that the amount being charged by Ituran is not sufficient to guarantee that no losses will occur; that Ituran is not assuming responsibility for any losses which may occur even if due to Ituran's negligent performance or failure to perform for any obligation under this Agreement. ITURAN DOES NOT MAKE ANY REPRESENTATION OF WARRANTY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, THAT THE PRODUCT SOLD PURSUANT TO THIS AGREEMENT MAY NOT BE COMPROMISED, OR THAT THE PRODUCT SOLD PURSUANT TO THIS AGREEMENT WILL IN ALL CASES PROVIDE THE PROTECTION AND FUNCTIONS FOR WHICH IT IS INTENDED. The price of the Product does not include any taxes, fees, surcharges or assessments that currently are or may be imposed, directly or indirectly, by any governmental authority or agency with respect to the service, including any roaming taxes on roaming calls. In the event Ituran is directed to pay such taxes, fees, surcharges or assessments directly, Dealer agrees to reimburse ITURAN for any such taxes that ITURAN may be required to collect or pay upon the invoicing of such taxes.

11. WAIVER OF JURY TRIAL. DEALER, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AGREEMENT. THE



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DEALER SHALL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS BEEN WAIVED.

I acknowledge and agree that the terms and conditions of this Agreement govern all prior usage and purchases of products and services as well as all subsequent purchases.

IN WITNESS THEREOF, the parties have executed this Agreement as of the date first above written.

Dealer		Ituran Sales Representative	
Name [Print]		Name [Print]	
Signature	Date	Signature	Date