

## TERMS AND CONDITIONS

- 1. SALE OF SYSTEM.** In consideration of the sum specified in the attached Proposal Form, COMPANY agrees to sell to CLIENT and install at the premises specified on said Proposal Form, the security and/or other electronic System(s) as specified in said Proposal according to the terms and conditions of this Agreement.
- 2. PROVISION OF SERVICES.** In consideration of the sum specified in the attached Proposal Form, COMPANY agrees to provide the service(s) as specified in said Proposal at the premises specified on said Proposal subject to the terms and conditions of this Agreement.
- 3. TERM AND RENEWAL.** This Agreement shall begin on the date of this contract and shall be for a period of three (3) years, renewing itself automatically for consecutive like terms thereafter upon continuance of payments by the CLIENT and in absence of any written notice to terminate said Agreement presented by CLIENT or by COMPANY at least thirty (30) days prior to the end of the initial term or any renewal term.
- 4. LIMITED WARRANTY. A. WHAT IS COVERED:** All security and other electronic System(s) sold and installed by COMPANY, with the exception of closed circuit TV systems, are warranted to be free from defects in workmanship and materials for a period of one (1) year from the date of installation. Closed circuit TV systems are warranted for a period of six (6) months from the date of installation. During this period, COMPANY shall replace or repair any defective parts or materials at its own expense. COMPANY may use new or used parts of the same quality. **B. HOW TO OBTAIN SERVICE:** Call or write COMPANY at the address or telephone numbers at the top of this contract and describe what is wrong with the System. Service is provided as soon as possible during normal business hours which are Monday to Friday from 8:00 am to 6:00 pm except for holidays observed by COMPANY. Servicing of the System(s) is available at other times for an additional charge. An authorized adult must be at the premises at the time service is desired. **C. WHAT IS NOT COVERED:** This warranty does not cover damages to or failure of the System(s), from abuse, misuse, negligence, unauthorized tampering, accident, fire, theft, or unexplained loss, LIGHTNING, storms, or other acts of God, or causes other than normal wear and tear. All IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE ARE LIMITED IN DURATION TO THE TERM OF THIS EXPRESS WARRANTY. REPAIR OF THE SYSTEM IS COMPANY'S ONLY DUTY. COMPANY DOES NOT AND CANNOT REPRESENT OR GUARANTEE THAT THE EQUIPMENT IS FREE FROM DEFECTS OR THAT THE EQUIPMENT OR SERVICE MAY NOT BE DISABLED, IN NEED OF REPAIR, COMPROMISED OR CIRCUMVENTED. IN NO EVENT SHALL COMPANY BE LIABLE TO THE CLIENT FOR ANY DIRECT, COLLATERAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH THE CLIENTS USE OF THE EQUIPMENT, OR ANY OTHER CAUSE WHATSOEVER RELATING TO THE EQUIPMENT. RELYING ON HIS OR HER OWN JUDGEMENT OR KNOWLEDGE, THE CLIENT HAS CHOSEN A SECURITY SYSTEM AND THE CLIENT ACKNOWLEDGES THAT THE SYSTEM CHOSEN DOES NOT PROVIDE COMPLETE PROTECTION OF SAID PREMISES, THAT MORE ELABORATE SYSTEMS ARE AVAILABLE, AND THAT CLIENT HAS CHOSEN THIS SYSTEM WITH FULL UNDERSTANDING OF ITS LIMITATIONS. **D. STATE LAW:** SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO CLIENT. THE WARRANTY GIVES CLIENT SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.
- 5. COMPANY IS NOT AN INSURER.** It is understood by and between the parties hereto that COMPANY is not an insurer nor is this Agreement intended to be an insurance policy or a substitute for an insurance policy. Insurance, if any, will be obtained by the CLIENT. Charges herein are based solely on the value of the services and the scope of liability as herein set forth and are unrelated to the value of the CLIENT'S property or the property of others on the CLIENT'S premises. According to the options selected by the CLIENT, COMPANY is being paid to install and/or monitor and/or service a Security System designed to reduce certain risks of loss or damage to property, or injury or death to persons, and the amount being charged for this installation and/or monitoring and/or servicing is not sufficient to guarantee that no such loss or damage to property, or injury or death to persons will occur. The CLIENT agrees that COMPANY shall not be liable for loss or damage to property, or injury or death to persons, due directly or indirectly to any occurrence and consequences therefrom which the Security System was designed to reduce or avert.
- 6. LIMITATION OF LIABILITY.** Owing to the many uncertainties inherently attendant to any loss, such as but not limited to, the response time of the local authorities, the amount or value of the CLIENT'S property, or the property of others, which may be lost or damaged, and the uncertain nature of the hazard itself; CLIENT agrees it is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from COMPANY'S negligence, a failure of the System or the failure of COMPANY to perform any of its obligations hereunder. If COMPANY should be found liable for loss or damage to property, or injury or death to persons, due to a failure of the System, a failure on the part of COMPANY or its equipment, irrespective of cause or origin, whether resulting from performance or nonperformance of obligations imposed by this contract, or from active or passive negligence; its liability shall be limited to a sum equal to the total of one-half year's service payments or two hundred fifty (\$250) dollars, whichever is the greater, and this liability shall be exclusive. In the event that the CLIENT wishes to increase the maximum amount of such limited liability, the CLIENT may, as a matter of right, obtain from COMPANY a higher limit by paying an additional amount for the increase in such limit of liability; but this additional obligation shall in no way be interpreted to hold COMPANY as an insurer.
- 7. THIRD PARTY INDEMNIFICATION.** The CLIENT agrees to, and shall, indemnify and save harmless COMPANY, its employees, subcontractors, agents and assigns from and against all claims brought by parties other than parties to this Agreement. This provision shall apply to all claims, demands, liabilities, damages, losses, expenses including attorneys fees, and lawsuits, regardless of cause including COMPANY'S performance or failure to perform any of the obligations set forth by the terms of this Agreement, COMPANY'S negligence, or a failure of the System or service, whether these claims be based on negligence, express or implied warranty, contribution, indemnification, or strict or product liability on the part of COMPANY, its employees, subcontractors, agents or assigns. There are no third party beneficiaries of this Agreement, other than COMPANY'S employees, subcontractors, agents or assigns.
- 8. WAIVER OF SUBROGATION.** So far as it is permitted by CLIENT'S insurance coverage, CLIENT hereby releases, discharges and agrees to hold harmless COMPANY from any and all claims, liabilities, damages, losses or expenses, arising from or caused by any hazard covered by insurance in or on the CLIENTS premises whether said claims are made by CLIENT, CLIENT'S agents or insurance company or other parties claiming under or through CLIENT. CLIENT agrees to indemnify COMPANY against, defend and hold harmless COMPANY from any action for subrogation which may be brought against COMPANY by an insurer or insurance company or its agents or assigns including payment of all damages, expenses, costs and attorneys fees. CLIENT, on behalf of himself or herself and his or her insurance carriers, waives all subrogation rights.
- 9. INSTALLATION OF SYSTEM.** In consideration of the sum listed on the attached Proposal Form which the CLIENT has already signed, COMPANY agrees to install all equipment necessary for the completion of the security or other electronic system(s) as specified in said Proposal. The CLIENT understands that said installation will necessitate drilling, cutting and/or nailing into various parts of the premises. COMPANY shall have no responsibility whatsoever for any resultant damages where CLIENT has failed to inform COMPANY of hidden wires, pipes, or other obstructions within walls or other concealed spaces. The CLIENT shall provide an electrical outlet near the location of the control unit if one does not already exist, and if necessary, shall have the telephone company install any equipment necessary to interface an alarm system with telephone company lines. Errors or omissions in the design or installation of the System(s) must be called to the attention of COMPANY, in writing, within seven (7) days of the completion of the installation; and, upon the expiration of such period, the installation shall be construed as accepted by CLIENT. COMPANY shall not be held responsible for any delay in the installation of said System(s) caused by any factor beyond its reasonable control.
- 10. PAYMENT OF CHARGES.** The CLIENT agrees to pay for the installation of said System as specified in the attached signed Proposal Form and/or to pay all monthly charges for provision of services in advance as set forth in the attached signed Proposal Form. The CLIENT is responsible should any licenses and/or permits be necessary for the installation and operation of the System(s) described herein and CLIENT agrees to pay any false alarm assessments, fees, or charges relating to services provided under this Agreement which are authorized or imposed by any governmental authority.
- 11. TITLE.** Title to the equipment is to remain with COMPANY until the full purchase price is paid. Failure of the CLIENT to pay the full purchase price of the installed equipment, when due, shall give COMPANY the right to repossess that equipment with or without notice. COMPANY may elect to abandon all or any portion of System(s). Removal of the System(s) shall be without prejudice to the collection of any and all sums due under the entire contract or extensions or renewals thereof, and for recovery of COMPANY'S loss of profit for any unexpired term of this Agreement. CLIENT will return the System(s) to COMPANY in good condition, reasonable wear and tear excepted. In the event CLIENT is not the owner of the premises, CLIENT warrants that he or she has obtained the written consent of the owner for the installation and removal of the System. COMPANY will not be required to restore or repair the premises when the System(s) is removed.
- 12. SERVICE AGREEMENT.** If CLIENT has selected this service by indicating a willingness to pay an additional service charge as indicated on the attached Proposal Form, COMPANY agrees to furnish all necessary labor and parts, EXCLUSIVE OF BATTERIES, to repair the System on an as need basis without additional charge to CLIENT. The equipment covered by this Agreement shall consist only of those items listed in the attached Proposal Form and the wires connecting them necessary for their operation WITH THE EXCEPTION OF ALL EQUIPMENT THAT IS DESIGNATED LIGHTWATCH OR THAT PERTAINS TO SECURITY LIGHTING. LIGHTWATCH EQUIPMENT IS NOT COVERED UNDER THIS SERVICE AGREEMENT. CLIENT understands that this Service Agreement has the same exceptions as the warranty clause in paragraph 4C of this Agreement. If new or additional equipment is added to the System(s), an increase in the service fee may be instituted. This Agreement shall only be effective when the CLIENT gives the equipment proper care and makes all Service Agreement payments within thirty (30) days of due date. Service calls for

repair or replacement of equipment damaged or lost through causes not covered by this Service Agreement will be charged at COMPANY'S regular labor rates and equipment costs.

**13. MONITORING SERVICE. A.** If CLIENT has selected this service by indicating a willingness to pay an additional service charge as set forth on the attached Proposal Form, monitoring services will be provided by COMPANY in accordance with the terms and conditions set forth herein. Upon the reception of a telephone and/or radio signal indicating that an alarm condition exists at the CLIENT'S premises, COMPANY shall make every reasonable effort to notify the CLIENT, the appropriate local authorities, agencies and others designated by CLIENT to said alarm condition; it being the COMPANY'S absolute discretion to determine which authorities, agencies and persons are appropriate depending upon the alarm condition. All notification by COMPANY shall be by telephonic communication. COMPANY shall have no responsibility for the failure, neglect or refusal of any authority, agency or person so notified to respond to the alarm condition nor for any mistakes or errors made by the CLIENT in the names or telephone numbers designated as authorities, agencies or persons to be notified by COMPANY. COMPANY shall not be required to give notification of an alarm signal if COMPANY has reasonable grounds to believe that an emergency condition does not exist.

**B.** It is the obligation of the CLIENT to ensure that all alarm dispatching information and instructions provided to the COMPANY are current and correct, and it shall be the continuing obligation of the CLIENT to notify COMPANY of any changes in this information and instructions. CLIENT will obtain and keep in effect all permits or licenses that may be required for the installation and operation of the System. Monitoring services to the CLIENT shall commence only after the Security System has been connected to the telephone lines and tested and only after COMPANY has received both a copy of this contract signed by CLIENT and a completed set of the dispatch instructions.

**C.** The CLIENT understands that alarm signals from the CLIENT'S System are transmitted over regular telephone lines and/or radio waves to COMPANY'S monitoring facility and, in the event CLIENT'S telephone service is disconnected, placed on vacation status or interrupted for any reason and/or said radio waves are interfered with, signals from the CLIENT'S System will not be received by said monitoring facility and the interruption will not be known to COMPANY; therefore COMPANY shall not be held liable or responsible for telephone line and/or radio failure which prevents signals from reaching its monitoring facility. COMPANY recommends the use of an RJ31X telephone or equivalent jack to be used to connect the System to CLIENT'S telephone to give the System priority over other telephones on the premises, however, when the System is activated CLIENT will be unable to use the telephone to make other calls, such as calls to the 911 emergency operator, and therefore CLIENT may choose to have the System connected to a separate telephone line at CLIENT'S expense.

**D.** The CLIENT agrees that the monitoring portion (paragraph 13) of this Agreement may be cancelled without previous notice, at the option of COMPANY in the event that COMPANY'S monitoring facility, wires, or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it would be impractical to continue service. Service may likewise be cancelled at, the option of the CLIENT in the event that the CLIENT'S premises are so damaged or destroyed.

**E.** The CLIENT shall properly activate the Security System when leaving the premises and at other times the CLIENT deems appropriate and in accordance with instructions provided by COMPANY. It is the responsibility of the CLIENT to properly test the Security System periodically (but not less than monthly) and to immediately report to COMPANY any claimed inadequacy in, or failure of, said System. The CLIENT agrees to notify the COMPANY'S monitoring facility before any test of the CLIENT'S System and immediately after all accidental alarms that might be received by monitoring facility. The CLIENT also agrees to give a special verification password at the beginning of each telephone call to or from the monitoring facility in order to verify the CLIENT'S identity to monitoring personnel.

**F.** COMPANY shall have the right to terminate the monitoring portion (paragraph 13) of this Agreement thirty (30) days after written notice of nonpayment if Client

has failed to make timely payments during the term of this Agreement or immediately if CLIENT'S System has caused so many false alarms, become so disabled or so substantially damaged that further service is impractical. Upon any default hereunder, or upon termination of this Agreement, it is understood and agreed that COMPANY may enter CLIENT'S premises to deprogram or shut off the communicator or memory chip. At the COMPANY'S option, monitoring service may once again begin upon the restoration of the System(s) and/or payment of past due amounts by CLIENT, including any late charges imposed by COMPANY.

**14. FEE INCREASES.** COMPANY shall have the right, at any time during the term of this Agreement, to increase the monitoring and/or Service Agreement charges provided for in the attached Proposal Form to reflect any additional taxes, fees, or charges relating to the services provided under the terms of this Agreement which may hereafter be imposed on COMPANY by any utility or government agency and CLIENT agrees to pay same. In addition, COMPANY may, at any time after one (1) year from the date of this Agreement, increase the monitoring and/or Service Agreement charge by giving CLIENT a notice in writing no less than sixty (60) days prior to the effective date of said increase. If CLIENT is unwilling to pay the increased monitoring and/or Service Agreement charge, CLIENT must notify COMPANY in writing no less than twenty (20) days prior to the otherwise effective date of the increase that this Agreement will be terminated on the effective date of the increase unless COMPANY rescinds the increase, and thereafter COMPANY may elect to resume the charge of the previous term thereby binding CLIENT to the full term of this Agreement. CLIENT'S failure to notify COMPANY within said twenty (20) days shall constitute CLIENT'S acceptance of the increase.

**15. BIND AND INURE.** COMPANY shall have the right to subcontract any services it is obligated to perform hereunder. CLIENT acknowledges that the provisions of this Agreement and particularly those paragraphs relating to disclaimer of warranties, limitation of liability and third party indemnifications, inure to the benefit of and are applicable to any subcontractors and assigns engaged by COMPANY to provide monitoring, installation or service of the System(s) provided herein, and bind CLIENT to the subcontractors and assigns with the same force and effect as they bind CLIENT to COMPANY. CLIENT agrees to indemnify, defend, and hold harmless COMPANY against claims by an organization engaged to monitor CLIENT'S System or to which an alarm signal may be transmitted.

**16. INVALID PROVISIONS.** In the event that any provision of this Agreement is found to be invalid, including but not limited to, any provision relating to limitation of COMPANY'S liability or remedies thereof, all other provisions shall survive in full force and effect.

**17. LIMITATIONS ON ACTIONS.** All claims, actions or proceedings, legal or equitable, against COMPANY must be commenced in court within one (1) year after either the cause of action has accrued of the act, omission or event occurred from which the claim, action or proceeding arises, whichever is earlier, without judicial extension of time, or said claim, action or proceeding is barred, time being of the essence of this clause. In addition, all parties to this Agreement hereby waive any rights to a jury trial in any judicial action brought by any party which relates in any way to this Agreement (whether based on contract negligence or otherwise).

**18. ENTIRE AGREEMENT.** This Agreement expresses the entire agreement between parties, except for the attendant additional Agreements contemplated hereby, and no modification of this Agreement shall be valid unless reduced to writing and executed by the parties and attached thereto. COMPANY shall have the right to assign this Agreement or any interest therein at its sole and exclusive option, however the CLIENT shall not assign, transfer, pledge or hypothecate or otherwise dispose of this Agreement or any interest therein, without prior written consent of COMPANY. This Agreement is governed by the laws of the state of Georgia and shall be deemed to be dated upon the last date set next to the signatures of the executing parties.