



Terms and conditions:

1. A. Security Corporation (hereinafter Security) agrees, WITHOUT LIABILITY AND NOT AS AN INSURER, to sell to Customer/Subscriber and install the system or equipment listed in the proposal. Upon completion of installation, Customer/Subscriber agrees to pay to Security the sale price and installation charges outlined on the reverse. Security will compute and bill applicable sales tax upon completion. One and one-half percent (1-1/2%) per month will be added to all invoices in excess of 30 days.

B. WARRANTY: Security hereby gives Customer/Subscriber a limited one year warranty (unless otherwise specified on the reverse) on parts and labor that the system or equipment sold will be free from defects of material or workmanship under normal use. Security's sole obligation under this warranty is to provide replacement of component parts which are defective, which defect is not caused by improper maintenance or abuse by Customer/Subscriber or Acts of God, and which defect Security is notified of, in writing, by Customer/Subscriber during the warranty period. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE EXPRESSLY DISCLAIMED.

C. INCREASES: After the expiration of one (1) year from the date of completion of installation, Security may, at any time, increase the monthly service charge (monitoring) upon giving the Customer/Subscriber notice in writing. In the event Customer/Subscriber shall be unwilling to pay the increased monthly charge, the Customer/Subscriber may terminate this agreement upon giving notice, in writing, within thirty (30) days from receipt of Security's notice, provided Customer/Subscriber shall not be in default of any of the terms and conditions of this agreement. Failure to notify Security within said thirty (30) day period will constitute Customer/Subscriber's consent to the increase and all other terms and conditions of this agreement shall remain in full force and effect.

2. LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES: The Customer/Subscriber understands and agrees that Security is NOT AN INSURER; that insurance, if any, shall be obtained by the Customer/Subscriber; that the payments or charges provided for herein are based solely on the value of the service as set forth herein and are unrelated to the value of the Customer/Subscriber's property or the property of others located on the Customer/Subscriber's premises; that SECURITY MAKES NO GUARANTEE OR WARRANTY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS THAT THE EQUIPMENT OR SERVICES SUPPLIED WILL AVERT OR PREVENT OCCURRENCES OR THE CONSEQUENCES THERE FROM WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT.

The Customer/Subscriber acknowledges that it is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from a failure to perform any of the obligations herein, or the failure of the system to properly operate with resulting loss to the Customer/Subscriber because of, among other things: (A) the uncertain amount or value of the Customer/Subscriber's property or property of others kept on the premises which may be lost, stolen, destroyed, damaged or otherwise affected by occurrences which the system or service is designed to detect or avert; (B) the uncertainty of the response time of any police or fire department, should the police or fire department be dispatched as a result of a signal being received or an audible device surrounding; (C) the inability to ascertain what portion, if any, of any loss would be proximately caused by Security's failure to perform or by failure of the equipment to operate; (D) the nature of the service to be performed by Security.

The Customer/Subscriber understands and agrees that if Security should be found liable for loss or damage due from a failure to perform any of the obligations herein, but not limited to installation, maintenance, monitoring, service or the failure of the system or equipment in any respect whatsoever, Security's liability shall be limited to Two Hundred Fifty (\$250.00) Dollars, as liquidated damages and not as a penalty, and this liability shall be exclusive; and that the provisions of this section shall apply if loss or damage, irrespective of cause of origin results directly or indirectly to persons or property, from performance or non-performance of the obligations imposed by this contract, or from negligence, active or otherwise, of Security, its agents, assigns, or employees. In the event that the Customer/Subscriber wishes to increase the maximum amount of such damages, Customer/Subscriber may, as a matter of right, obtain from Security a higher limit by paying an additional amount proportioned to the increase in damages, but such additional obligation shall in no way be interpreted to hold Security as an insurer.

In the event a connection is made with, or an alarm signal is transmitted to, a police department or other organization, such department or other organization may invoke the provisions hereof against any claims made against them by the Customer/Subscriber or by others.

3. CUSTOMER/SUBSCRIBER ACKNOWLEDGEMENT: CUSTOMER ACKNOWLEDGES AND AGREES THAT SECURITY'S REPRESENTATION: SECURITY REPRESENTS THAT THE ALARM SYSTEM OR EQUIPMENT INSTALLED AND THE MONITORING SERVICES PROVIDED PURSUANT TO THE TERMS OF THIS AGREEMENT IS ONLY A DETERRENT, DETRIMENT AND SECURITY DOES NOT REPRESENT OR WARRANT THAT THE SYSTEM WILL PREVENT LOSS FROM THEFT, FIRE OR VANDILISM IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INSTALLED OR ANY OTHER CAUSE INTENDED. CUSTOMER/SUBSCRIBER ACKNOWLEDGES THAT SECURITY IS NOT AN INSURER, THAT CUSTOMER/SUBSCRIBER ASSUMES ALL RISK FOR LOSS OR DAMAGE TO CUSTOMER/SUBSCRIBER'S PREMISES OR TO ITS CONTENTS; THAT SECURITY HAS MADE NO REPRESENTATIONS TO THE CONTRARY UPON WHICH CUSTOMER/SUBSCRIBER OR WARRANTIES, NOR HAS RELIED CUSTOMER/SUBSCRIBER RELIED ON ANY REPRESENTATION OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTIES OR MERCHANTABILITY OR FITNESS, EXCEPT AS SET FORTH HEREIN, AND CUSTOMER/SUBSCRIBER ACKNOWLEDGES THAT CUSTOMER/SUBSCRIBER HAS READ AND UNDERSTANDS THIS AGREEMENT, AND UNDERSTANDS PARTICULARLY PARAGRAPH 2 OF THIS AGREEMENT WHICH SETS FORTH SECURITY'S LIMITED OBLIGATION AND MAXIMUM LIABILITY HEREUNDER IN THE EVENT OF ANY LOSS OR DAMAGE TO CUSTOMER/SUBSCRIBER.

4. RECEIPT OF COPY: Customer/Subscriber acknowledges receipt of a copy of this Agreement.

5. INDEMNIFICATION: The Customer/Subscriber agrees to and shall indemnify and save harmless Security, its employees and agents, for and against all third-party claims, lawsuits and losses alleged to be caused by Security's performance, negligent performance or failure to perform its obligations under this Agreement.

6. SUBROGATION: Customer/Subscriber hereby releases, discharges and agrees to hold Security harmless from any and all claims, liabilities, damages, losses, or expenses arising from or caused by any hazard covered by insurance in or on the premises of Customer/Subscriber whether said claim is made by Customer/Subscriber, Customer/Subscriber's agents, or Customer/Subscriber's insurance company or by any other parties claiming under or through Customer/Subscriber. Customer/Subscriber agrees to indemnify Security against, defend and hold Security harmless from any action for subrogation which may be brought against Security by any insurer or insurance company or its agents or assigns including the payment of all damages, expenses, costs and attorney fees.

7. CUSTOMER/SUBSCRIBER'S DUTIES: Customer/Subscriber agrees to comply with all instruction of Security with respect to the operation and maintenance of the system or equipment, to conduct such tests as may be recommended by Security to determine the system or equipment is operative, and to determine that the system or equipment is activated when required. Customer/Subscriber shall carefully and properly set the alarm system each night or at such other time as Customer/Subscriber shall immediately report to Security any claimed inadequacy in or failure of the system. Security shall make such repairs as shall be necessary as soon after receipt of notice as is reasonably possible. Failure to immediately report any claimed inadequacies in or failure of the system releases Security from any future obligation hereunder.

8. DEFAULT: In the event Customer/Subscriber fails to make any payment within thirty (30) days of the date when the payment is due, or defaults in the performance of any of the terms or conditions of this Agreement, Security, at its option, may give written notice of default and terminate this Agreement and declare the entire amount of charges for the balance of the then existing term of this Agreement immediately due and payable.

22325 Roethel Drive, Novi, Michigan 48375 - (248) 374-5700

THIS CONTRACT IS VALID FOR 30 DAYS THEREOF AND SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON ATTACHED PAGES.

9. DELAY IN INSTALLATION AND FACTORS BEYOND SECURITY'S CONTROL: Security assumes no liability for delay in installation of the system, or interruption of service due to strikes, riots, floods, fires, acts of God or any cause beyond the control of Security, including interruption in telephone service. Security will not be required to supply service to the Customer/Subscriber while interruption of service due to any such cause shall continue.

10. ARREST: Customer/Subscriber authorizes Security to cause the arrest of any person or persons on or around the premises unauthorized by the Customer/Subscriber to enter the premises of Customer/Subscriber during the scheduled closed periods and to hold such Customer/Subscriber or persons until released by Customer/Subscriber or his known representative.

11. FALSE ALARMS: In the event Customer/Subscriber shall cause an excessive number of false alarms through the carelessness of Customer/Subscriber or the malicious or accidental use of the alarm system or in the event Customer/Subscriber shall in any manner misuse or abuse the alarm system, it shall constitute a material breach of contract on the part of Customer/Subscriber and Security may, at its option, in addition to all other legal remedies, be excused from further performance upon the giving of ten (10) days notice to Customer/Subscriber. Security's excuse from performance will not affect Security's right to recover damages from Customer/Subscriber. In the event a fine, penalty or fee shall be assessed against Security by any governmental or municipal agency as a result of any false alarm originating from Customer/Subscriber's premise, Customer/Subscriber agrees to forthwith reimburse Security for payment of the said false alarm fine, penalty or fee. In the event Security shall dispatch an agent to respond to a false alarm originating from Customer/Subscriber's premise, where Customer/Subscriber intentionally or negligently activated the alarm system and no alarm condition exists, then and in that event, Customer/Subscriber agrees to pay to Security their standard service call fee.

12. CUSTOMER/SUBSCRIBER OWNED EQUIPMENT: Customer/Subscriber agrees to supply 24-hour 110-volt circuits as required to power the alarm system circuit. Customer/Subscriber further agrees to modify or replace, at its sole expense, all wet and dry sprinkler valves now installed which are not acceptable to the Board of Fire Underwriters or other authority having jurisdiction. Customer/Subscriber agrees to place hoods over all open fires and forges, to pipe out all blow-off valves and to properly vent all chemical vats at Customer/Subscriber's expense.

13. SUSPENSION OR CANCELLATION OF THIS AGREEMENT: This Agreement may be suspended or cancelled, without notice and without liability of Security in the event Security Central, connecting wires or other equipment are destroyed by fire, other catastrophe or by any other means, or is so substantially damaged that it is impractical to continue service; or in the event that Security is unable to either secure or retain the connections or privileges necessary for the transmission of signals between Customer/Subscriber's premise and Security Central or between Security Central and the Public Policy and Fire Department for any reason whatsoever.

14. INSTALLATION OF SYSTEM: Customer/Subscriber authorizes Security to install or cause to be installed the protective system as specified including connections necessary to transmit the necessary signals from the premises of Customer/Subscriber. All signals are transmitted over telephone company lines, which are wholly beyond the control and jurisdiction of Security and which are maintained and services by the applicable telephone company or utility.

15. ERRORS IN INSTALLATION: Errors or omissions of said system, including but not limited to failure to wire points of protection shall be called to the attention of Security by Customer/Subscriber in writing within fifteen (15) days of completion of the installation. Upon the expiration of said fifteen (15) day period, the installation and the protection provided shall be deemed acceptable by Customer/Subscriber. (Customer/Subscriber acknowledges that additional protection may be obtained over and above that provided herein at an additional cost.)

16. SERVICE AND INSPECTIONS: Customer/Subscriber hereby authorizes and empowers Security, its agent or assigns to service the aforesaid system and to make any necessary inspections, tests, and repairs as required. In the case of fire alarm protection, Customer/Subscriber will notify Security, in writing, of any change in its fire rating bureau or agency. Customer/Subscriber shall pay for all charges including increase in monthly service charge, which may result from any alteration, remodeling, repair or other change to the Customer/Subscriber's premises. Additions to, changes in or re-arrangement of the space protection components, necessitated by stock, fixture or structural changes, which shall be necessary to retain the original protection provided shall be at Customer/Subscriber's expense. Repairs necessitated by ordinary wear and tear shall be at Security's expense. All other repairs shall be at Customer/Subscriber's expense. At installation, necessary inspections and tests which may be required on the part of Security shall be performed between the hours of 9:00 a.m. and 5:00 p.m. on normal business days.

17. AUTHORIZED PERSONNEL: Customer/Subscriber agrees to furnish to Security forthwith a list of the names, titles, residence addresses, residence phone numbers and signatures of all persons authorized to enter the premises of Customer/Subscriber during the regularly scheduled closed period. Customer/Subscriber agrees to furnish Security forthwith an authorized daily and holiday opening and closing schedule in writing. All changes, revisions and modifications to the above shall be supplied to Security in writing.

18. ATTORNEY FEES: In the event it shall become necessary for Security to institute legal proceedings to collect the cost of installation or the monthly service charge as set forth herein, then and in such proceeding the unsuccessful party shall pay to the successful party reasonable attorney fees where permitted by law. In the event Security is required to defend a legal proceeding for which Customer/Subscriber has agreed to indemnify Security, Customer/Subscriber shall pay Security's actual costs of defense.

19. DISTURBING CONDITIONS: Where any device or protection is supplied, including but not limited to space protection, which is affected by turbulence or air or other disturbing conditions, Customer/Subscriber agrees to run off or remove all things, animate or inanimate, including but not limited to all forced air heater, air conditioners, animated display signs, animals, and any other source of air turbulence or movement which may interfere with the effectiveness of the system during closed periods while alarm system is on.

20. POWER FAILURE: In the event of a power failure or other interruption, at Customer/Subscriber's premises, Customer/Subscriber shall immediately notify Security.

21. INVALID PROVISIONS: In the event of any of the terms or provisions of this Agreement shall be invalid or inoperative, all of the remaining terms and provisions shall remain in full force effect.

22. THIS AGREEMENT CONTROLS: It is understood and agreed by and between the parties hereto, that if there is a conflict between the Agreement and Customer/Subscriber's purchase order, or any other document, this agreement will govern, whether such purchase order or other document is prior or subsequent to this Agreement.

23. TERMS OF PAYMENT: It is understood and agreed by and between the parties hereto, that the payment terms for contracts less than five thousand dollars (\$5,000.00) will be 40% upon signing of the contract and 60% upon completion of the installation and/or delivery of equipment. Contracts for five thousand (\$5,000.00) dollars and over, payment terms are as follows: 30% upon signing of the contract, 30% 30 days from contract date of the project, and the final 40% due upon completion of the installation and/or delivery of equipment.

24. SERVICE HOLD: Should the Customer/Subscriber have unpaid invoices outstanding to Security for more than 60 days, Security reserves the right to place all service under this agreement on "Service Hold" and not provide service until the past due balance is paid.

25. Customer/Subscriber agrees that Security Corporation may increase the Extended Warranty on going monthly charges anytime after the first 12 months of this Agreement and Customer/Subscriber agrees to pay the full amount of such increase unless Customer/Subscriber notifies Security in writing within thirty (30) days of notification of such Increase.

26. PURCHASER'S RESPONSIBILITIES: Furnishing clear access routes through the building to the installation site, strengthening of floors to accommodate equipment weight, altering or moving obstacles and restoration of the site to its original condition, if required. Any additional labor costs due to contractor insistence on use of local trades. Extra costs incurred by the Seller for correcting any deviations from the Seller's drawings, plans and/or specifications.