

## **Commercial Security Alarm Agreement**

3166 CUSTER DRIVE | LEXINGTON, KY 40517 SONITROLLEXINGTON.COM

Agreement #:

SK- 10629

This is an Agreement (the "Agreement") on March 8th 2023 (the "Effective Date"), between Sonitrol (the "Company") and
Lexington Fayelle Urban County Governmilline "Subscriber") located at 4300 Airport Pand
(the "Fremises") which is the subscriber whose name and address is also listed on the Proposal/Investment Summary (the "Proposal").
Installation Investment:  Subscriber shall pay the Company the amount of \$\(\frac{212500}{212500}\) as the "Total Equipment Investment" as follows: \$\(\frac{106200}{2000}\) upon execution of the Agreement, \$\(\frac{106300}{2000}\) upon substantial completion of the installation. Applicable taxes are excluded.
Services Provided:  Burglary Monitoring Service  Video Service  Video Service  Other
Total Monthly Service Charge: \$
Subscriber shall pay the Company the amount indicated above as the "Total Monthly Service Charge" as follows: Monthly Quarterly Semi-Annually Annually, in advance, for the term of the Agreement. Subscriber shall pay all taxes due for Equipment or Services. Payments are due net thirty (30) days from invoice date.
In this Agreement, (i) "Equipment" means the equipment indicated on the Proposal or installed at your Premises; (ii) "Services" mean the services selected by the Subscriber as set forth on the Proposal; (iii) "Premises" means the premises at the address set forth above; (iv) "System" means the electronic security/life safety/emergency response system installed at the Premises; (v) "Data" means any form of data or information received from the System, including any Listed Codes, any video or any audio; and (vi) "Listed Codes" means codes programmed into the System to indicate a condition at the Premises (e.g., an open door or other activated device). The Company is sometimes referred to in this Agreement as "you" or "your." Additional terms are defined throughout the document below in capitalized text.
Subscriber represents and warrants to Company that Subscriber owns the Premises.
The Company agrees to provide the Services and Equipment subject to the terms and conditions of this Agreement.
1. Equipment and Services. The Company shall sell or lease (as indicated on the Proposal) and install the Equipment at the Premises. You shall pay Company for the Equipment and Services as indicated on the Proposal. We may add to, modify or delete one or more of the Services from time-to-time following thirty (30) days' prior written notice. We will not provide, and do not assume any obligation to provide, any service that is not included as part of the Services.
2. <u>Term and Renewal</u> . The initial term of this Agreement shall be for SIXTY (60) MONTHS following the day on which the Company begins to provide the Services. Thereafter, this Agreement shall automatically renew from month-to-month unless either party provides written notice of non-renewal at least thirty (30) days prior to the end of the then current term. The time periods in this paragraph must be complied with strictly.
NOTICES TO SUBSCRIBER. YOU SPECIFICALLY ACKNOWLEDGE AND ACCEPT THE DISCLAIMER/LIMITATION OF LIABILITY AND INDEMNITY PARAGRAPHS OF THIS AGREEMENT. TERMS AND CONDITIONS ON THE FOLLOWING PAGES AND REVERSE ARE AN INTEGRAL PART OF THIS AGREEMENT. YOU ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. READ THE FRONT AND REVERSE OF ALL PAGES CAREFULLY BEFORE SIGNING. IF YOU DO NOT MEET YOUR CONTRACT OBLIGATIONS, YOU MAY LOSE THE SYSTEM YOU BOUGHT WITH OR ARE USING PURSUANT TO THIS AGREEMENT. IF SUBSCRIBER IS AN ENTITY, THE PERSON SIGNING THIS AGREEMENT ON THE ENTITY'S BEHALF SHALL BE PERSONALLY LIABLE FOR SUBSCRIBER'S FINANCIAL OBLIGATIONS UNDER THIS AGREEMENT. IF SUBSCRIBER IS MORE THAN ONE PERSON AND/OR ENTITY, THE OBLIGATIONS OF SUBSCRIBER UNDER THIS AGREEMENT ARE JOINT AND SEVERAL.
NO WARRANTIES. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, WHICH EXTEND BEYOND THE DESCRIPTION IN THIS AGREEMENT HEREOF, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
BY SIGNING THIS AGREEMENT, SUBSCRIBER INTENDS TO BE LEGALLY BOUND.
Sonitrol SUBSCRIBER V
By:
Security Consultant
Date:
Approved:
Authorized Representative
Date:
3166 CUSTER DRIVE   LEXINGTON, KY 40517   SONITROLLEXINGTON.COM

- 3. INSURANCE AND COMPANY'S LIABILITY RELEASE, COMPANY IS NOT AN INSURER, YOU SHALL MAINTAIN INSURANCE COVERING YOU, YOUR EMPLOYEES AND OTHERS FOR ALL LOSS, DAMAGE OR EXPENSE DUE TO, ARISING OUT OR FROM, RESULTING FROM, RELATED TO OR AS A CONSEQUENCE OF, (I) THIS AGREEMENT. (II) THE EQUIPMENT OR (III) THE SERVICES, INCLUDING ANY OF THE COVERED CLAIMS (AS DEFINED BELOW). RECOVERY FOR ANY LOSS, DAMAGE OR EXPENSE SHALL BE LIMITED TO SUCH INSURANCE, COMPANY IS RELEASED FROM ALL LIABILITY DUE TO. ARISING OUT OR FROM, RESULTING FROM, RELATED TO OR AS A CONSEQUENCE OF, (1) THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE OF ANY KIND OR DEGREE OF COMPANY. (2) THE IMPROPER OPERATION OR NON-OPERATION OF THE EQUIPMENT OR SYSTEM, (3) COMPANY'S BREACH OF CONTRACT, EXPRESS OR IMPLIED, WHICH OCCURS BEFORE OR AFTER THE SIGNING OF THIS AGREEMENT, (4) COMPANY'S BREACH OF WARRANTY, EXPRESS OR IMPLIED. (5) PRODUCT OR STRICT LIABILITY. (6) LOSS OR DAMAGE TO OR MALFUNCTION OF FACILITIES NECESSARY TO OPERATE THE SYSTEM OR TO TRANSMIT, RECEIVE OR PROCESS ANY SIGNAL OR OPERATE ANY MONITORING FACILITY OR 17) ANY CLAIM FOR SUBROGATION. CONTRIBUTION OR INDEMNIFICATION. (THE ITEMS LISTED IN (1) THROUGH (7) HEREOF ARE REFERRED TO AS THE "COVERED CLAIMS".)
- 4. LIMITATION OF LIABILITY. IF COMPANY IS FOUND LIABLE FOR ANY LOSS, DAMAGE OR EXPENSE DUE TO, ARISING OUT OR FROM, RESULTING FROM, RELATED TO OR AS A CONSEQUENCE OF, ANY OF THE COVERED CLAIMS, ANY SUCH LIABILITY SHALL BE LIMITED TO THE MAXIMUM SUM OF \$1,500.00. IF YOU WISH TO INCREASE THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, YOU MAY OBTAIN A HIGHER LIMIT BY PAYING AN ADDITIONAL AMOUNT BUT COMPANY SHALL NOT BE HELD TO BE AN INSURER HEREUNDER.
- 5. Release of Insured Losses; Waiver of Subrogation. You release Company for all losses, damages or expenses covered by your insurance policies and for all insurance deductibles, self-insured retentions or similar amounts. You also waive and release any rights your insurance company may have against Company for money paid to you or on your behalf.
- 6. INDEMNIFICATION. WE WILL INDEMNIFY YOU FOR ANY LOSS, DAMAGE OR DAMAGE CAUSED SOLELY AND DIRECTLY BY THE NEGLIGENCE OF THE COMPANY'S EMPLOYEES BUT ONLY WHERE SUCH LOSS. DAMAGE AND EXPENSE OCCURS WHILE THE EMPLOYEE IS ON THE PREMISES AND OUR OBLIGATION TO INDEMNIFY YOU SHALL BE LIMITED TO THE AMOUNT OF PROCEEDS RECEIVED FROM COMPANY'S INSURANCE POLICY(IES). IF ANY APPLICABLE TO THE CLAIM OR SUIT FOR SUCH LOSS OR DAMAGE. YOU WILL INDEMNIFY, DEFEND AND HOLD HARMLESS COMPANY AND EACH OF THE COMPANY'S EMPLOYEES, OFFICERS, DIRECTORS, MANAGERS, OWNERS OR CONTRACTORS (COLLECTIVELY, THE "COMPANY PARTIES") FOR ANY LOSS, DAMAGE OR EXPENSE (INCLUDING ATTORNEYS' FEES), INCLUDING ANY LOSS DAMAGE OR EXPENSE ARISING OUT OF ANY CLAIM OR SUIT ASSERTED AGAINST ANY OF THE COMPANY PARTIES BY ANY PERSON NOT A PARTY TO THIS AGREEMENT (EACH A "THIRD-PARTY CLAIM") ARISING OUT OR FROM, RESULTING FROM RELATED TO OR AS A CONSEQUENCE OF, (I) THIS AGREEMENT; (II) THE EQUIPMENT; (III) THE SERVICES OR (IV) ANY OF THE COVERED CLAIMS, INCLUDING THE ACTIVE OR PASSIVE SOLE, JOINT OR SEVERAL NEGLIGENCE OF ANY KIND OR DEGREE OF COMPANY AND WITHOUT ANY CONDITION THAT ANY OF THE COMPANY PARTIES FIRST PAY (AND NOTWITHSTANDING ANY PROTECTIONS YOU MAY BE OTHERWISE AFFORDED UNDER ANY WORKER'S COMPENSATION ACT, LAW OR REGULATION). WE MAY APPOINT LEGAL COUNSEL TO CONTROL THE INVESTIGATION DEFENSE AND SETTLEMENT OF ANY CLAIM OR SUIT ASSERTED AGAINST ANY OF THE COMPANY PARTIES.
- 7. PANY NOT LIABLE FOR CERTAIN DAMAGES. EXCEPT AS OTHERWISE SET FORTH IN THE FIRST SENTENCE OF PARAGRAPH 6 ABOVE, COMPANY PARTIES ARE NOT LIABLE LINDER ANY CIRCUMSTANCES FOR ANY FORM OF EXEMPLARY. INCIDENTAL, SPECIAL, STATUTORY, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES WHATSOEVER INCLUDING DAMAGES FOR PERSONAL INJURY, DEATH, LOSS OF PROFITS, LOSS OF DATA, BUSINESS INTERRUPTION OR ANY OTHER COMMERCIAL DAMAGES OR LOSSES, INCLUDING DAMAGES ARISING OUT OF OR RELATED TO ANY OF THE COVERED CLAIMS, HOWEVER CAUSED, REGARDLESS OF THE THEORY OF LIABILITY (CONTRACT, TORT OR OTHERWISE) AND EVEN IF THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 8. We Must Receive Data from the System to Provide Monitoring Services. We are able to provide monitoring services only if the monitoring facility receives Data from the System. Transmission of Data from the System, regardless of the communications equipment or communications services used, may be interrupted, circumvented or otherwise compromised for any number of reasons. ("Communications Equipment" means the equipment at the Premises used to transmit Data to the monitoring facility. For example, a cellular transmitter or an IP based communicator, "Communications Services" means the service used to permit Data to be received at the monitoring facility. For example, plain old telephone ("POTS") service, the Internet connection provided by your Internet Services Provider, a cellular connection, a satellite connection or a radio.) If the Communications Equipment or Communications Service is inoperative or interrupted by any cause including the loss of a telephone line or dial tone (either because the line is cut or otherwise), there will be no indication of an interruption at the monitoring facility unless you elect to use and pay for some available form of technology that detects and reports such an interruption. Your System may not be able to transmit Data to the monitoring facility if you use any form of Internet based Communications Equipment or Communications Services.
- 9. Your Responsibilities Regarding the System. You must (i) thoroughly review any operator's or user's manual for the System; (ii) operate the System in accordance with the operator's or user's manual; (iii) test the System's transmission of Data to the monitoring facility from time-to-time (at least monthly) and each time after the installation, repracement, modification or repair of any Communications Equipment or Communications Service (each, a "Communications Change"); (iv) confirm that the Communications Equipment or Communications Services are compatible with the System, including after any Communications Change; (v) maintain the System in good working order: (vi) pay for and provide electrical power at the Premises for the System to work: (viii) pay for and provide the Communications Equipment and Services (at the Premises and otherwise necessary to transmit Data from the System, including all third-party costs relating to installation of the Communications Equipment or the use of the Communications Services); and (vii) otherwise comply with the requirements of this Agreement. You must immediately report (a) problems with the Communications Equipment or Communications Services to the communications service provider; and (b) problems with the System to the Company for repair service. We have no responsibility for any equipment, device or property owned by a third-party.
- 10. Certain Communications Limitations. DSL or other broadband telephone service may (i) prevent the System from transmitting Data to the monitoring facility or (ii) interfere with the telephone line—seizure feature of the System. (DSL or other broadband telephone service should be installed on a telephone number that is not used for Data transmission). You may elect to use some form of back-up Communication Equipment or Communications Service (for example, radio as primary and telephone as secondary). If the System transmits Data by telephone, you will need some other means to telephone for help or call the monitoring facility. If you select a System using wireless Equipment, you understand that wireless Equipment may be interrupted, circumvented or otherwise compromised by third-parties attempting to defeat detection by the System.
- 11. Greater Investment Means Greater Protection. Additional Equipment, at additional cost, may provide increased detection. You have selected the System based on your personal considerations (e.g., cost, environment, conditions, insurance requirements, etc.) Your municipality may require a license or permit for the installation, use or monitoring of the System or the Services. You are solely responsible for complying with such obligations and providing the Company with any then current license or permit number. If the System is owned by the Company or leased by Subscriber, you must promptly, without demand and at your sole cost, return the System to the Company at the expiration or termination of this Agreement.

- 12. Installation and Service: System Removal. Company's installers are not aware of hidden pipes, wires or other objects within walls, floors, ceilings or other concealed spaces. You must advise Company of such hidden objects or Company and its installers are released for any damages, losses or expenses for personal injury, including death, or to real or personal property. Company is not obligated to repair, restore, or redecorate the Premises if the System is removed from the Premises. The Company makes no promise of installation of equipment or commencement of Services by any particular date and shall not be liable for any loss, damage or expense resulting from any delay in the installation.
- 13. <u>Title to System.</u> If you lease the System, title to the System remains in Company. Title to all Equipment shall remain in Company until you have paid all amounts due for the initial term of this Agreement. The Panel for any Sonitrol System is proprietary to Company and may not be compatible with receiving equipment at other monitoring facilities. Risk of loss or damage to the Equipment passes to you upon delivery to the Premises. Subscriber hereby (i) grants Company a security interest in any leased or financed equipment (as identified on the Proposal) and (ii) authorizes Company to file (A) this Agreement (or a copy thereof) and Proposal or (B) one or more financing or continuation statements (or amendments) (without signature where permitted by law) respecting any such leased or financed equipment. In addition, Subscriber shall execute financing statement reflecting Company's security interest following Company's request. Company shall provide Subscriber a copy of any such filing: provided, however. Company's failure to do so shall not constitute a breach hereof or a condition precedent to the granting of a security interest.
- 14. Faise Alarms; Suspension of Service, Shut-Down and Lock-Out. You agree to prevent false alarms and will be solely liable for false alarms. Excessive false alarms shall be a material breach of this Agreement. You must pay (or reimburse Company) any fines, fees, costs, expenses and penalties assessed against you or Company by any court or governmental agency. Company may, in its sole and absolute discretion, electronically lock out the Panel to limit access to Company only. If you default under this Agreement, or upon termination of monitoring services for any reason, or if the System becomes a "runaway" system, or excessively signals Company's monitoring facility without apparent reason, you authorize and empower Company to (i) remove the System from the Premises (if installation and sale price not fully paid), (ii) disconnect the System, (iii) shut-down the Panel and/or the System, (iv) render some or all of the equipment incapable of signaling locally or communicating with any monitoring facility; and/or (v) refuse to unlock the Panel. The exercise of such rights shall not be deemed a waiver of Company's right to damages.
- 15. Increase in Charges. Company may increase recurring charges following each of the twelve (12) month anniversaries of the Agreement. Company shall provide you thirty (30) days written notice of any such increase.
- 16. What We Will Do If the System Transmits Data to the Monitoring Facility. If we agree to provide monitoring services and receive Data at the monitoring facility, monitoring facility personnel (each, an "Operator") will use commercially reasonable efforts to notify you, persons on your call list (collectively, the "Subscriber Representative") or emergency responders (collectively, "Responders") as provided in this paragraph. (You, the Responders and the Subscriber Representatives are collectively referred to as the "Call List.") Following receipt of any form of Data, an Operator may contact you, anyone at the Premises or the Subscriber Representatives as frequently as the Operator believes to be necessary to determine the need to notify Responders or any other person in accordance with this paragraph. If anyone at the Premises or any of the Subscriber Representatives provides a designated code or password and tells us to disregard the Data, we may (but are not obligated to) do so.
  - a. How We Notify the Call List. We may notify anyone on the Call List by any means we reasonably deem to be appropriate under the circumstances, including telephone, text message, e-mail, push notification or any other commercially reasonable form of communications. In addition, you may elect to receive notification by electronic communications. Our obligation to notify anyone on the Call List (and provide you notification) is complete once we have (i) spoken to the person to be notified, (ii) left a message for any person on the Call List or (iii) transmitted the notification to you or the Call List. You understand and agree that our obligation to review Data and notify the Call List will be limited by the circumstances at the monitoring facility when the Data is received and by the priority of the Data received (such priority as determined by us or the Operator in our sole and absolute discretion).
  - b. <u>Digital Data: Listed Codes.</u> If the Data received is a Listed Code, we will notity persons on the Call List as required by this paragraph. If the Data received is a digital code that is not a Listed Code, our sole obligation will be to log the digital code.
  - c. <u>Video Data</u>. If the Data received is video, a single Operator will review the video once in an attempt to determine if, based solely on the video immediately available, the Operator can verify the need to notify persons on the Call List or identify any unauthorized person in Premises. If the Operator is unable to do so, the Operator will notify the Subscriber Representatives of the video received and thereafter any Responder as the Subscriber Representative directs.
  - d. Audio Data. If the Data received is audio, a single Operator will listen to the audio received in an attempt to determine if the Operator can hear an unauthorized person attempting to force entry at the Premises. You understand that we will listen in at the Premises solely to provide the monitoring service. You agree that we may listen in for as long as we, in our sole and absolute discretion, deem it necessary or advisable in order to provide the monitoring service. If the Data received is some form of two-way voice communications with a person at the Premises, we will only notify Responders if the person affirmatively requests assistance. If there is a chronic noise source, we may disable audio detection at the Premises.
  - e. Medical Signal. Our sole responsibility upon receipt of a medical emergency signal is to telephone the medical assistance providers as directed by you.
  - f. Our Obligation to Notify. If an Operator concludes, based on Data received, that Responders must be dispatched to the Premises, we will use commercially reasonable efforts to do so as required by this paragraph. You must provide us the names and correct contact information for all Subscriber Representatives. The monitoring facility may (but is not obligated to) record and retain any communications relating to the Services, including any Data.
  - Quertified Response. Certain jurisdictions require some form of verified alarm response ("Verified Response") before dispatching Responders to the Premises. If your jurisdiction requires Verified Response, you must engage a service, at your own cost and expense to provide Verified Response. The Company may modify, terminate or suspend any particular form of monitoring service if permitted, requested or required to do so by any governmental authority, standards setting entity or insurance interest. The Company alone owns all right to the Data and you have no rights whatsoever in any of the Data.
- 17. <u>Video Alarm Verification</u>. If you have selected "Video Alarm Verification" Services ("VAV") you understand that such services are intended to assist in the verification of alarm conditions at the Premises, not to reduce or eliminate any risk of loss. VAV is not intended to replace alarm monitoring services or detect or prevent unauthorized intrusion in or to the Premises or any other emergency condition, including the detection or prevention of fire, smoke, carbon monoxide, medical emergencies or water damage. You shall not use VAV, or permit the use of VAV. for any illegal or unlawful purpose, including the invasion of privacy or viewing, transmitting or storing sexually explicit materials.
- 18. Video Requirements. You are solely responsible (i) for the placement of cameras and their view; (ii) to provide and maintain adequate power and lighting for cameras; (iii) instruct all persons who may use the System of any obligations or limitations respecting the System or any cameras; (iii) take all steps necessary to inform any person who may be the subject of any video recording or monitoring of the possibility of such recording or monitoring; and (iv) not to use or permit the use of any text. pictures, graphics, video and other electronic data to be transmitted or received from cameras at the Premises where any person may have a reasonable expectation of privacy, including restrooms, changing areas or similar areas. SUBSCRIBER SHALL NOT AUDIOTAPE OR EAVESDROP ON OTHER'S COMMUNICATIONS WITHOUT HAVING SUCH PERSON'S PERMISSION TO DO SO.

3

- 19. Consent to Communicate. The Services require that we communicate with the Call List. Our communications may take different forms, including a live operator telephone call, a pre-recorded telephone message, a call generated by an automatic telephone dialing system, an SMS or other form of text message or some other form of electronic communications. We will communicate with the Call List at the telephone number or e-mail address you provide us, including any mobile phone number. You will (i) inform each of the Subscriber Representatives that we will communicate with them at such numbers or addresses; and (ii) obtain permission from the Subscriber Representatives that we may (a) communicate with them at these telephone numbers or e-mail addresses; and (b) record such communications as set forth more fully in this Agreement. You will indemnify, defend and hold us harmless (without any condition that we first pay) for any Third-Party Claims (as defined in Paragraph 6 hereor). Including our reasonable attorneys' fees, arising out of or in connection with, due to or caused in whole or in part by, any claims asserted against us in connection with or as a result of our communications with any person on the Call List including any claim under any state or federal consumer protection or similar law, including the Telephone Consumer Protection Act.
- 20. Portal: Intellectual Property. We grant you a non-exclusive, non-transferable license to use the Internet to access the specified website(s) (the "Portal") so that you can access, input, delete and modify information related to the System and Services. You agree to be bound by any terms and conditions in any terms of service or end user license agreement on or respecting the Portal from time-to-time. There is a risk that unauthorized persons may gain access to the Portal, Data or information regarding your System and Services and you agree to assume such risk. You consent to posting alarm event and other status reports concerning the Service on the Portal. You will keep confidential all information available on the Portal and all passwords relating to the Portal. This license will continue and be co-extensive with the term of this Agreement except for your (i) failure to keep confidential all information available on the Portal and all passwords or access codes relating to the Portal or access thereto; (ii) use of the license or the information in any manner that negatively affects us; (iii) use of the license or the information for any illegal purpose; (iv) breach of this Agreement; or (v) violation of any applicable law. You will be solely responsible for information you deliver, delete or modify, whether via the Portal or otherwise. Upon termination of this Agreement or termination or suspension of the license by us, we may immediately, and without notice, disable your access to the Portal and cancel all passwords or other access codes. You will not (a) disclose or make available to third parties any portion of the technology associated with the Service or the Portal without our prior written consent, (b) copy, decompile, dissemble, reverse engineer, manipulate, modify, or make derivative works of any technology incorporated in the Service or the Portal.
- 21. Application Use. If you access or otherwise use any of the Services through any device (e.g., vía an iPhone, Droid, iPad or other device) or otherwise use any form of mobile application (e.g., an "App") (collectively, "Application Use"), you (i) are entirely responsible to obtain and pay for the device, any App and any Application Use (including any necessary communications services); (ii) shall comply with the terms, conditions and directions for any Application Use, including any terms and conditions you acknowledge when you install any App; and (iii) acknowledge that we have not created any App or Application Use. The term "Service" throughout this Agreement includes any Application Use.
- 22. <u>Default.</u> It you default under this Agreement, Company shall be entitled to retain all prepayments received and you shall immediately pay Company all payments then due and payable plus the following amounts: (a) if the System is not leased, you will pay us fifty percent (50%) of all payments due for the unexpired term: or (b) if the System is leased, you will pay us ninety percent (90%) of all payments due for the unexpired term. in either instance as agreed upon liquidated damages and not as a penalty. Following any such default, Company shall have no further obligation to perform under this Agreement. In addition, you shall pay Company all costs and expenses in enforcing this Agreement, including reasonable attorneys' fees. If the System is leased, then it you default under this Agreement, you shall make the Premises available to us on reasonable notice so that we can remove the System, including any wiring for the System.
- 23. <u>Binding Agreement.</u> This Agreement only becomes binding upon Company when signed by Company's authorized representative or upon the commencement of any of the Services. If there are any additions, alterations, modifications or deletions to these printed terms, such terms shall not become part of the Agreement unless agreed to and initialed by a person authorized to agree to such terms by Company. You may not receive a copy of this Agreement executed by Company's authorized representative. This Agreement is binding on the parties' heirs, executors, administrators, successors and permitted assigns.
- 24. Applicable Law. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Kentucky without reference to its conflict of law rules. The interpretation of this Agreement shall not be construed against the drafter.
- 25. Assignment, You may not assign this Agreement. The Company may assign its rights and delegate its duties pursuant to this Agreement, in whole or in part, to Sonitrol or any other entity ("Assignee") without notice to the Subscriber. Upon any such assignment, the Company shall have no further liability under this Agreement to Subscriber for the Services which were assigned, and Assignee will assume and be solely liable for the performance of the Services that were assigned. After such assignment. Subscriber shall only have recourse against the Assignee with respect to the Services which were assigned. The Company will remain liable for the performance of this Agreement with respect to any of the Services that were not assigned. Subscriber's payments will continue to be made to the Company despite such assignment, and the Company shall forward to the Assignee that portion of Subscriber's payments that are due the Assignee.
- 26. Finance and Late Charges, Invoices are due upon receipt. You agree to pay a finance charge of one and one-half (1-1/2%) percent per month (eighteen (18%) percent per year) for all charges not paid within 30 days of the invoice date. In addition, you shall pay an administrative fee (late charge) of 5% of any invoice not paid (as agreed upon damages and not a penalty) within 30 days of the invoice date.
- 27. No Waiver of Breach. Waiver of your breach of this Agreement, shall not be a waiver of any subsequent breach. Company's rights under this Agreement are cumulative, may be exercised concurrently or consecutively and shall include all remedies available even if referred to in this Agreement.
- 28. On-Premises Repair and Related Services. We offer different kinds of repair and inspection services for the System, each of which is explained below. Our obligation to provide any form of repair or inspection service is conditioned on you calling us to inform of us of the need for repair services (for Paragraphs 28.a, 28.b and 28.d) or schedule inspection services (for Paragraph 28.c). None of the Excluded Causes (as defined in Paragraph 33.d below) constitute ordinary wear and tear.
  - a. Quality Assurance Plan. If you selected Quality Assurance Plan on the Proposal, we will provide all labor necessary to (i) inspect the visible parts of the System annually on or about the anniversary date of this Agreement or as otherwise agreed in writing, and (ii) provide all necessary labor, material, parts and equipment to service the System due to ordinary wear and tear only. All other repair or inspection service shall be paid by Subscriber on a time and material basis at the Company's then prevailing charges. The Quality Assurance Plan excludes access control cards or credentials.
  - b. Time and Material Service. If you did not select Quality Assurance Plan on the Proposal, we will provide all necessary labor and parts to service the System on a time and material basis at our then prevailing rates.
  - c. Inspection Service. If you selected Inspection Services on the Proposal, we will provide all necessary labor and testing equipment to inspect the visible part of the Equipment to determine if the Equipment works. We will perform such inspection services on or about the anniversary date of this Agreement but you must schedule an appointment with us for such service.

- d. We Must Provide All Services to the System. We alone will provide all forms of inspection or repair or inspection services to the System. Our duty to service the System is subject to the availability of the original part from the original manufacturer and the terms of this Agreement. You will pay our minimum service call charge if you do not provide unrestricted access to the System when we attempt to provide service at the Premises. You will pay us at our then prevailing "after hours" service rates for all services performed after our regular business hours.
- e. <u>Delays in Service</u>. We make no promise that there will be no delay in performing service. The Company's sole obligation after receiving a service request from you is to dispatch a service employee to the Premises within a reasonable time after a service employee becomes available, during normal business hours excluding Saturdays, Sundays and holidays.
- 29. Takeover Systems. If Company takes over rendering service to an existing system, in whole or in part, Company reserves the right, in its sole and absolute discretion, to terminate this Agreement at any time by giving you ten (10) days written notice to you that, in Company's sole and absolute discretion, there have been excessive activations of the System or the number of problems or cost of service has been or may become excessive. You shall be entitled to reimbursement of the unearned charge paid for the then current period on your request and this shall be the limit of Company's liability.
- 30. <u>Programming Services.</u> Programming services consists of inputting, modifying, deleting and using electronic data concerning operation of the equipment or the System. You consent to Company's performance of all such services pursuant to Company's then prevailing charges for such service. You agree to pay to Company for all such services.
- 31. Force Majoure. The Company's obligations under this Agreement are waived automatically without notice and you release the Company for all loss, damage or expense (i) if the monitoring facility, any Communications Equipment or Communications Services or any other form of communications equipment or communications services are destroyed, damaged or inoperable for any reason not within the Company's reasonable control, (ii) due to delays or interruption of the Service(s) due in whole or in part, directly or indirectly, to riots, strikes, lockouts, terrorism, war (declared or undeclared), weather, natural phenomenon, acts of God, governmental orders, laws, rules or regulations, transportation, environmental conditions or (iii) due to any other reason beyond the reasonable control of the Company (the items in (i) through (iii) are referred to collectively as the "Force Majeure Events"). Our obligations under this Agreement are suspended for the duration of any such Force Majeure Events. We will reimburse you any unearned charges paid for the period of any such interruption on your request, which shall be the limit of our liability. If this Agreement is terminated or the Services are suspended or terminated for any reason, (a) you shall immediately reprogram or disconnect the System so that it does not transmit Data to the monitoring facility; and (b) we, in our sole and absolute discretion, without notice, and without any liability, may remotely disable, disconnect or block the System so that the System does not transmit Data to the monitoring facility. We have no obligation to provide any form of alternative or substitute services during any Force Majeure Events.
- 32. Key Service. If you provide Company with keys and unrestricted access to the Premises, Company's sole obligation is to dispatch a service employee to the Premises within a reasonable time after a service employee becomes available following our receipt of your request to do so, in order to service the System. Company is released for any loss, damage or expense due to the loss or theft of any keys. Company will not detain or arrest any person.

## 33. LIMITED WARRANTY.

- A. COMPANY WARRANTS TO YOU ALONE ONLY THAT EQUIPMENT IS INSTALLED IN A GOOD AND WORKMANLIKE MANNER. IF ANY PART (EXCLUDING WIRING, LIGHT BULBS, L.E.D.'S, L.C.D.'S OR BATTERIES) BECOME DEFECTIVE WITHIN ONE (1) YEAR FROM THE DATE OF THE ORIGINAL INVOICE FOR THIS INSTALLATION OR THE TERM PROVIDED BY THE ORIGINAL EQUIPMENT MANUFACTURER, WHICHEVER IS LESS, COMPANY SHALL REPLACE OR REPAIR THE DEFECTIVE PART WITHOUT CHARGE TO YOU. THIS WARRANTY IS NOT ASSIGNABLE.
- B. IF YOU DISCOVER A DEFECT IN THE EQUIPMENT, YOU SHOULD IMMEDIATELY CONTACT COMPANY IN WRITING OR BY TELEPHONE AND FULLY DESCRIBE THE DEFECT SO THAT REPAIR SERVICE MAY BE RENDERED.
- C. EXCEPT AS SET FORTH IN PARAGRAPH A, COMPANY MAKES NO EXPRESS WARRANTIES AS TO ANY MATTER WHATSOEVER, INCLUDING THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; ALL OTHER WARRANTIES ARE SPECIFICALLY EXCLUDED.
- D. THIS WARRANTY DOES NOT COVER DAMAGE TO EQUIPMENT CAUSED BY ACCIDENT, VANDALISM, SUBSCRIBER NEGLIGENCE, FLOOD, WATER, LIGHTNING, FIRE, INTRUSION, ABUSE, MISUSE, AN ACT OF GOD, ANY CASUALTY, INCLUDING ELECTRICAL CHARGES, ATTEMPTED UNAUTHORIZED REPAIR SERVICE, MODIFICATION OR IMPROPER INSTALLATION BY ANYONE OTHER THAN COMPANY, OR ANY OTHER CAUSE OTHER THAN ORDINARY WEAR AND TEAR (COLLECTIVELY, THE "EXCLUDED CAUSES"). COMPANY SHALL NOT BE LIABLE FOR ANY GENERAL, DIRECT, SPECIAL EXEMPLARY, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES. ANY AFFIRMATION OF FACT OR PROMISE MADE BY COMPANY SHALL NOT BE DEEMED TO CREATE AN EXPRESS WARRANTY. COMPANY DOES NOT MAKE ANY REPRESENTATION OR WARRANTY INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, CIRCUMVENTED, OR THE SYSTEM OR SERVICES WILL IN ALL CASES PROVIDE THE SIGNALING. MONITORING AND RESPONSE FOR WHICH IT WAS INTENDED. YOU AGREE THAT YOU ARE NOT RELYING ON COMPANY'S SKILL OR JUDGMENT IN SELECTING OR FURNISHING A SYSTEM SUITABLE FOR ANY PARTICULAR PURPOSE; THERE ARE NO EXPRESS WARRANTIES THAT EXTEND BEYOND THOSE ON THE FACE OF THIS AGREEMENT OR IN THIS PARAGRAPH. ALL IMPLIED WARRANTIES, IF ANY, COINCIDE WITH THE DURATION OF THIS WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS OR THE EXCLUSION OR THE LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND YOU MAY ALSO HAVE OTHER RIGHTS THAT MAY VARY FROM STATE TO STATE.
- 34. Time Limitation on Actions. All claims, actions or proceedings against Company must be commenced in court within one (1) year after the cause of action has accrued, without judicial extension of time, or such claim, action or proceeding is barred. The time period in this paragraph must be complied with strictly.
- 35. Increased Costs. You will pay us for any increased costs we incur to provide the Services, including any increase in our cost to receive Data at the monitoring facility or any increase in the amounts charged by the monitoring facility. You alone are responsible for all taxes incurred in connection with the Services.
- 36. Integrated Agreement. This Agreement, the Proposal and any document made a part of this Agreement contains the entire Agreement between the parties respecting the transactions described in such documents and supersedes all prior or current negotiations, commitments, contracts (express or implied), warranties (express or implied), statements and representations, whether written or oral, pertaining to such transactions, all of which shall be deemed merged into this Agreement. NEITHER PARTY HAS MADE ANY REPRESENTATION, TERM, PROMISE, CONDITION, STATEMENT, WARRANTY, OR INDUCEMENT (COLLECTIVELY, "INDUCEMENT") NOT EXPRESSED IN THIS AGREEMENT AND, IN ENTERING INTO THIS AGREEMENT, NEITHER PARTY IS RELYING ON ANY INDUCEMENT WHICH IS NOT SET FORTH IN THIS AGREEMENT.

- 37. <u>Valid Agreement.</u> Should any provision hereof (or portion thereof), or its application to any circumstances, be held illegal, invalid or unenforceable to any extent, the validity and enforceability of the remainder of the provision and this Agreement, or of such provisions as applied to any other circumstances, shall not be affected thereby, and shall remain in full force and effect as valid, binding and continuing.
- 38. Modifications. All changes or amendments to this Agreement must be in writing and signed by all parties to be binding on the parties.
- 39. Additional Equipment or Service. If, at any time after the date hereof, you request or authorize additional equipment or services, all sales, installation and services supplied by Company shall be subject to the terms of this Agreement only, except that additional charges shall be made for such additional sales, installation or services.
- 40. Right to Subcontract. Company may, in its sole and absolute discretion, subcontract for the provision of any of the Services under this Agreement. The provisions of this Agreement inure to the benefit of and are applicable to (i) any subcontractors engaged to provide any of the Services to you; and (ii) each of the Company's shareholders, partners, members, directors, employees, agents and representatives and bind you to all such persons or entities listed in subparagraph (i) or (ii) with the same force and effect as they bind you to Company. You authorize us to act as your agent for purposes of working with or providing direction to, any of our subcontractors concerning the provision of the Services under this Agreement. You agree that our subcontractors are independent contractors, not partners or joint venturers.
- 41. Consent to Intercept, Pecord Disclose And Use Data and Communications. We and the monitoring facility may, from time to time, record our communications (including telephone communications) with you and other persons as part of providing services under this Agreement. If your System includes video cameras, you understand that Operators will receive (and review) video Data from the Premises. If your System includes any form of audio (e.g., two-way audio, any form of listenin device or audio as part of video), you understand that Operators will receive (and review) audio Data from the Premises Accordingly, you, for yourself and as the authorized agent of all family, guests, agents, servants, representatives and employees or any other person who may be on the Premises (i) consent to the Company and the monitoring facility intercepting, recording, retrieving, reviewing, copying, disclosing and using the contents of all telephone, video, audio, electronic and other forms of transmission or communication to which you, any other person, we or the monitoring facility are parties (collectively, the "Recorded Data"); and (ii) release each of the Company Released Parties in connection with Losses arising out of or in connection with the Recorded Data. You agree that Company alone owns the Recorded Data.
- 42. Prior Agreements With Others. You represent and warrant that (a) your cancellation or termination of any contract, or (b) execution of this Agreement does not breach and will not breach any contract with or obligation to any other person or entity.
- 43. Paragraph Headings. The paragraph titles used herein are for convenience of the parties only and shall not be considered in construing the provisions of this Agreement. When used in this Agreement, the word "including" shall mean "including, but not limited to."
- 44. <u>Credit Investigation Report.</u> You authorize and consent to credit investigations and reports by the Company and any other person or entity that provides financing to the Company or to whom this Agreement may be assigned.
- 45. Right to Notice and Cure. If Company breaches this Agreement, you shall provide Company written notice specifically identifying the nature of the breach and the provisions of this Agreement affected as a result of such breach. Company may cure the breach within five (5) business days following Company's receipt of the written notice or, if the breach cannot be reasonably cured within such period, to promptly commence to cure and diligently proceed until cured. If Company cures any such breach, this Agreement shall continue unabated and Company shall not be liable to you for any loss, damage or expense arising out of or from, resulting from, related to, in connection with or as a consequence of any such breach.
- 46. JURISDICTION, VENUE AND WAIVER OF JURYTRIAL. EACH PARTY HEREBY IRREVOCABLY AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ("SUIT") ARISING OUT OF OR FROM, IN CONNECTION WITH OR AS A RESULT OF THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE STATE COURTS OF RECORD OR THE COURTS OF THE UNITED STATES LOCATED IN THE DISTRICT OR COUNTY WHERE THE COMPANY'S PRINCIPAL PLACE OF BUSINESS IS LOCATED. EACH PARTY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF EACH SUCH COURT IN ANY SUCH SUIT AND WAIVES ANY OBJECTION THAT IT MAY HAVE TO JURISDICTION OR VENUE OF ANY SUCH SUIT. EACH PARTY CONSENTS TO SERVICE OF PROCESS IN ACCORDANCE WITH THE NOTICE PROVISIONS OF THIS AGREEMENT. EACH PARTY HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY SUIT. ACTION OR OTHER LEGAL PROCEEDING BROUGHT BY EITHER PARTY.
- 47. Right to Terminate. Notwithstanding anything set forth in this Agreement to the contrary, Company may, in its sole discretion, terminate this Agreement, with or without cause and without any liability whatsoever, upon thirty (30) days notice. If such termination is without cause, Company shall refund you any unearned service charges.
- 48. Electronic Media. A copy of this Agreement and signatures transmitted and delivered electronically (including by facsimile or e-mail) shall be deemed to be originals for all purposes. We may scan or otherwise convert this Agreement into an electronic and/or digital media file and a copy of this Agreement or the electronic data file produced from any such electronic or digital media format may serve and be given the same legal force and effect as the original.
- 49. Environmental Considerations. You represent and warrant that there are no hazardous substances, ultra hazardous or dangerous activities or conditions or public or private nuisance (collectively, "Hazardous Conditions") on the Premise and that there are no violations of any applicable local, state or federal law, order or court order respecting any Hazardous Conditions. Company may, in its sole and absolute discretion, immediately terminate this Agreement if this representation and warranty is not true in each and every respect.
- 50. U.L. Certificated Systems. If the System is certificated by Underwriters Laboratories ("U.L.") or any similar organization, you shall pay Company's then prevailing initial and renewal certificate fees. If the System is activated without objective physical evidence of the need for such activation and Company dispatches an agent, you shall pay the Company's prevailing charge for dispatch of such agent. U.L. certificated systems satisfy the requirements of U.L. for the stated class and grade as of the date of installation. If U.L. adopts new or different requirements for the certificate issued, the Company agrees, upon receipt of your written consent, to perform all services necessary to satisfy the new or different requirements of U.L. for the certificate issued and you shall pay all fees, costs and expenses for such work at the Company's then prevailing charges.