

NELSON ALARM

2602 East 55th Street
Indianapolis, IN 46220
(317) 255-2125

STANDARD COMMERCIAL SECURITY AGREEMENT

Date: _____

Subscriber Name: _____ Telephone No.: _____ Mobile Phone No: _____

Address: _____ Email Address: _____

1. NELSON ALARM (hereinafter referred to as "NA" or "ALARM COMPANY") agrees to sell, install, and program at Subscriber's premises, and Subscriber agrees to buy, an electronic security and or fire alarm system, consisting of equipment and materials listed in **Schedule of Equipment** with the below cost.

Purchase Price: \$ _____ **Plus Applicable Taxes and Fees, Price Includes Installation
Down Payment: \$ _____ **Balance due upon completion of installation: \$ _____

2. **DESCRIPTION OF MONTHLY SERVICES: CHECK BOX FOR APPROPRIATE MONTHLY SERVICES AND CHARGES FOR THE SECURITY SYSTEM: Only services selected are included:**

- \$ _____ Basic Central Station Monitoring on Land Line
- \$ _____ Basic Cellular Radio Transmission
- \$ _____ Add Remote Alarm Access and Automation
- \$ _____ Add Video Access
- \$ _____ Add Service Contract for Components under **Schedule of Equipment**
- \$ _____ Add Annual Equipment Inspection - Inspection services include testing of all accessible components to insure proper working order at time of inspection unless otherwise reported to Subscriber at time of inspection. Inspection does not include repair and only one scheduled inspection is included per annum.
- \$ _____ Add Access Control Administration

Subscriber agrees to pay NA the sum of \$ _____, plus applicable tax and fees, per month, payable three (3) months in advance for the monitoring of the Security System and other applicable services checked above, for the original and renewal term of this agreement.

3. **PASSCODE TO CPU SOFTWARE REMAINS PROPERTY OF NA:** Provided Subscriber performs this agreement for the full term thereof, upon termination NA shall at its option provide to Subscriber the passcode to the CPU software or change the passcode to the manufacturer's default code. Software programmed by NA is the intellectual property of NA and any unauthorized use of same, including derivative works, is strictly prohibited and may violate Federal Copyright laws, Title 17 of the United States Code, and may subject violator to civil and criminal penalties. The Equipment shall remain personal property and shall not be considered a fixture, or an addition to, alteration, conversion, improvement, modernization, remodeling, repair or replacement of any part of the realty, and Subscriber shall not permit the attachment thereto of any apparatus not furnished by NA.

4. **TERM OF AGREEMENT / RENEWAL:** The term of this agreement shall be for a period of one (1) year and shall automatically renew year to year thereafter under the same terms and conditions, unless either party gives written notice to the other by certified mail or email, return receipt requested, of their intention not to renew the agreement at least 30 days prior to the expiration of any term. After the expiration of one year from the date hereof NA shall be permitted from time to time to increase all charges by an amount not to exceed nine percent each year and Subscriber agrees to pay such increase.

5. **CENTRAL OFFICE MONITORING:** Upon receipt of a signal from Subscriber's alarm system, NA or its designee central office shall make every reasonable effort to notify Subscriber and the appropriate municipal police or fire department depending upon the type of signal received. Not all signals will require notification to the authorities and Subscriber may obtain a written response policy from NA. No response shall be required for supervisory, loss of communication pathway, trouble or low battery signals. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to municipal police or fire departments are not monitored by personnel of NA or NA's designee central office and NA does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals which are transmitted over telephone lines, wire, air waves, internet, VOIP, radio or cellular, or other modes of communication pass through communication networks wholly beyond the control of NA and are not maintained by NA except NA may own the radio network, and NA shall not be responsible for any failure which prevents transmission signals from reaching the central office monitoring center or damages arising therefrom, or for data corruption, theft or viruses to Subscriber's computers if connected to the alarm communication equipment. Subscriber agrees to furnish NA with a written Call List of names and telephone numbers of those persons Subscriber wishes to receive notification of alarm signals. Unless otherwise provided in the Call List NA will make a reasonable effort to contact the first person reached or notified on the list either via telephone call, text or email message. All changes and revisions shall be supplied to NA in writing. Subscriber authorizes NA to access the control panel to input or delete data and programming. If the equipment contains video or listening devices permitting central office to monitor video or sound then upon receipt of an alarm signal central office shall monitor video or sound for so long as central office in its sole discretion deems appropriate to confirm an alarm condition. If Subscriber requests NA to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber may be responsible for additional fees for each such service. NA may, without prior notice, suspend or terminate its services, in central office's sole discretion, in event of Subscriber's default in performance of this agreement or in event central office facility or communication network is nonoperational or Subscriber's alarm

system is sending excessive false alarms. Central office is authorized to record and maintain audio and video transmissions, data and communications, and shall be the exclusive owner of such property. All Subscriber information and data shall be maintained confidentially by NA.

6. SERVICE: Service includes all parts and labor, and NA shall service upon Subscriber's request the security system installed in Subscriber's premises between the hours of 9 a.m. and 5 p.m. Monday through Friday, within reasonable time after receiving notice from Subscriber that service is required, exclusive of Saturdays, Sundays and legal holidays. All repairs, replacement or alteration to the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life are not included in service and will be repaired or replaced at Subscriber's expense. No apparatus or device shall be attached to or connect with the security system as originally installed without NA's written consent.

7. REMOTE SERVICES ACCESS / EXCESSIVE DATA USAGE: If Remote Access is included in section 2 (Description of Monthly Services) to be installed and services provided by NA, the equipment will transmit data via Subscriber's high speed Internet, cellular or radio communication service from remote pendant supplied by NA or Subscriber's Internet or wireless connection device which is compatible with NA's remote services. NA will grant access to server permitting Subscriber to monitor the security system, access the system to arm, disarm and bypass zones on the system, view the remote video camera(s) and control other remote automation devices that may be installed. The remote services server is provided either by NA or a third party. NA shall install the camera(s) in a permissible legal location in Subscriber's premises to permit Subscriber viewing. NA shall have no responsibility for failure of data transmission, corruption or unauthorized access and shall not monitor or view the camera data. NA shall have no liability for excessive data usage expense incurred by Subscriber attributable to the equipment or services provided herein. Electronic data may not be encrypted and wireless components of the alarm system may not meet Advanced Encryption Standard specifications for encryption of electronic data established by the US National Institute of Standards and Technology and NA shall have no liability for access to the alarm system by others.

8. WIRELESS AND INTERNET ACCESS CAPABILITIES: Subscriber is responsible for supplying high speed Internet access at Subscriber's premises if a panel requiring an internet connection is installed. NA does not provide Internet service, maintain Internet connection, wireless access or communication pathways, computer, smart phone, electric current connection or supply, or in all cases the remote video server. In consideration of Subscriber making its monthly payments for remote access to the system NA will authorize Subscriber access. NA is not responsible for Subscriber's access to the Internet or any interruption of service or down time of remote access caused by loss of Internet service, radio or cellular or any other mode of communication used by Subscriber to access the system. Subscriber acknowledges that Subscriber's security system can be compromised if the codes or devices used for access are lost or accessed by others and NA shall have no liability for such third party unauthorized access. NA is not responsible for the security or privacy of any wireless network system or router. Wireless systems can be accessed by others, and it is the Subscriber's responsibility to secure access to the system with pass codes and lock out codes. NA is not responsible for access to wireless networks or devices that may not be supported by communication carriers and upgrades to Subscriber's system will be at Subscriber's expense.

9. ACCESS CONTROL SYSTEM OPERATION AND LIMITATIONS: If selected as a service to be provided, Access Control equipment shall be connected to a computer supplied by the Subscriber and connected to Subscriber's computer network. If data storage or backup is selected service NA or its designee shall store and/or backup data received from Subscriber's system for a period of one year. NA shall have no liability for data corruption or inability to retrieve data even if caused by NA's negligence. Subscriber's data shall be maintained confidential and shall be retrieved and released only to Subscriber or upon Subscriber's authorization or by legal process. Internet access is not provided by NA and NA has no responsibility for such access or IP address service. NA shall have no liability for unauthorized access to the system through the Internet or other communication networks or data corruption or loss for any reason whatsoever.

10. ACCESS CONTROL ADMINISTRATION: If selected as a service to be provided in section 2 (Description of Monthly Services), NA will maintain the data base for the operation of the Access Control System. Subscriber will advise NA of all change in personnel and or changes access levels of authorization and restrictions, providing Access card serial numbers or biometric data and such information that Subscriber deems necessary to identify personnel. All communication by Subscriber to NA regarding personnel access must be in writing via email or fax to addresses designated by NA. NA shall have remote Internet access to the Subscriber's designated access control computer to program and make data base updates to the system. Subscriber is responsible for maintaining its computer and computer network and Internet access.

LIMITED WARRANTY ON SALE

11. In the event that any part of the security system becomes defective, or in the event that any repairs are required, NA agrees to make all repairs and replacement of parts without costs to the Subscriber for a period of ninety (90) days from the date of installation. NA reserves the option to either replace or repair the alarm equipment, and reserves the right to substitute materials of equal quality at time of replacement, or to use reconditioned parts in fulfillment of this warranty. This warranty does not include batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life. NA is not the manufacturer of the equipment and other than NA's limited warranty Subscriber agrees to look exclusively to the manufacturer of the equipment for repairs under its warranty coverage if any. Except as set forth in this agreement, NA makes no express warranties as to any matter whatsoever, including, without limitation, the condition of the equipment, its merchantability, or its fitness for any particular purpose. NA does not represent nor warrant that the security system may not be compromised or circumvented, or that the system will prevent any loss by burglary, hold-up, fire or otherwise; or that the system will in all cases provide the protection for which it is installed. NA expressly disclaims any implied warranties, including implied warranties of merchantability or fitness for a particular purpose. The warranty does not cover any damage to material or equipment caused by accident, misuse, attempted or unauthorized repair service, modification, or improper installation by anyone other than NA. NA shall not be liable for consequential damages. Subscriber acknowledges that any affirmation of fact or promise made by NA shall not be deemed to create an express warranty unless included in this agreement in writing; that Subscriber is not relying on NA's skill or judgment in selecting or furnishing a system suitable for any particular purpose and that there are no warranties which extend beyond those on the face of this agreement, and that NA has offered additional and more sophisticated equipment for an additional charge which Subscriber has declined. Subscriber's exclusive remedy for NA's breach of this agreement or negligence to any degree under this agreement is to require NA to repair or replace, at NA's option, any equipment which is non-operational. This Limited Warranty is independent of and in addition to service contracted under paragraph 3(d)(ii) of this agreement. This Limited Warranty gives you specific legal rights and you may also have other rights which vary from state to state. If required by law, NA will procure all permits required by local law and will provide certificate of workman's compensation prior to starting work.

GENERAL PROVISIONS

12. FIRE ALARMS: Unless the Schedule of Equipment and Services provides for a fire alarm system to code NA makes no representation that the fire alarm equipment meets local code requirements or constitutes a fire alarm system as that term is defined by the Authority Having Jurisdiction [AHJ] over fire alarm systems in Subscriber's premises. If a fire alarm system to code is specified in the Schedule of Equipment and Services then NA will install fire alarm equipment pursuant to AHJ requirements. Subscriber agrees that any equipment required by the AHJ not specified in the Schedule of Equipment and Services shall be an extra to this agreement to be paid for by Subscriber at time said additional equipment is requested.

13. DELAY IN DELIVERY / INSTALLATION / RISK OF LOSS OF MATERIAL: NA shall not be liable for any damage or loss sustained by Subscriber as a result of delay in delivery and/or installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of nature, or other causes, including NA's negligence or failure to perform any obligation. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence. In the event the work is delayed through no fault of NA, NA shall

have such additional time for performance as may be reasonably necessary under the circumstances. Subscriber agrees to pay NA the sum of \$1,000 per day for each business day the work is re-scheduled or delayed by Subscriber or others engaged by Subscriber through no fault of NA on less than 24 hour notice to NA. If installation is delayed for more than one year from date hereof by Subscriber or other contractors engaged by Subscriber and through no fault of NA, Subscriber agrees to pay an additional 5% of the contract Purchase Price upon installation. Subscriber assumes all risk of loss of material once delivered to the job site.

14. TESTING OF SECURITY SYSTEM: Security System, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to test the operation of the Security System and to notify NA if it is in need of repair. Service if provided is pursuant to paragraph 6.

15. CARE AND SERVICE OF SECURITY SYSTEM: Subscriber agrees not to tamper with, remove or otherwise interfere with the Security System which shall remain in the same location as installed. All repairs, replacement or alteration to the security system made by reason of alteration to Subscriber's premises, or caused by unauthorized intrusion, lightning or electrical surge, or caused by any means other than normal usage, wear and tear, shall be made at the cost of the Subscriber. Batteries, electrical surges, lightning damage, software upgrades and repairs, communication devices that are no longer supported by communication pathways, obsolete components and components exceeding manufacturer's useful life, are not included in warranty or service under paragraph 6 and will be repaired or replaced at Subscriber's expense. No apparatus or device shall be attached to or connect with the security system as originally installed without NA's written consent.

16. ALTERATION OF PREMISES FOR INSTALLATION: NA is authorized to make preparations such as drilling holes, driving nails, making attachments or doing any other thing necessary in NA's sole discretion for the installation and service of the security system, and NA shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the security system, and Subscriber represents that the owner of the premises, if other than Subscriber, authorizes the installation of the security system under the terms of this agreement.

17. SUBSCRIBER'S DUTY TO SUPPLY ELECTRIC AND TELEPHONE SERVICE: Subscriber agrees to furnish, at Subscriber's expense, all 110 Volt AC power, electrical outlet and dedicated receptacle, internet connection, high speed broadband cable or DSL and IP Address, telephone hook-ups, RJ31x Block or equivalent, as deemed necessary by NA.

18. LIEN LAW: NA or any subcontractor engaged by NA to perform the work or furnish material who is not paid may have a claim against purchaser or the owner of the premises if other than the purchaser which may be enforced against the property in accordance with the applicable lien laws.

19. INDEMNITY / WAIVER OF SUBROGATION RIGHTS / ASSIGNMENTS: Subscriber agrees to indemnify and hold harmless NA, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third-parties or by Subscriber, including reasonable attorneys' fees and losses, asserted against and alleged to be caused by NA's performance, negligence or failure to perform any obligation under this agreement. Parties agree that there are no third party beneficiaries of this agreement. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against NA or NA's subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this agreement without written consent of NA. NA shall have the right to assign this agreement and shall be relieved of any obligations herein upon such assignment.

20. EXCULPATORY CLAUSE: NA and Subscriber agree that NA is not an insurer and no insurance coverage is offered herein. The security equipment and NA's services are designed to reduce certain risks of loss, though NA does not guarantee that no loss will occur. NA is not assuming liability, and, therefore, shall not be liable to Subscriber for any loss, data corruption or inability to retrieve data, personal injury or property damage sustained by Subscriber as a result of intrusion, burglary, theft, hold-up, fire, equipment failure, smoke, or any other cause whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by NA's negligent performance to any degree in furtherance of this agreement, any extra contractual or legal duty, strict products liability, or negligent failure to perform any obligation pursuant to this agreement or any other legal duty. In the event of any loss or injury to any person or property, Subscriber agrees to look exclusively to Subscriber's insurer to recover damages. Subscriber releases NA from any claims for contribution, indemnity or subrogation.

21. INSURANCE: The Subscriber shall maintain a policy of public liability, property damage, burglary and theft insurance. NA shall not be responsible for any portion of any loss or damage which is recovered or recoverable by the Subscriber from insurance covering such loss or damage or for such loss or damage against which the Subscriber is indemnified or insured. In the event of any loss or injury to any person or property, Subscriber agrees to look exclusively to Subscriber's insurer to recover damages. Subscriber shall obtain insurance to cover any loss the security services are intended to detect to one hundred percent of the insurable value, and Subscriber and all those claiming rights under Subscriber waive all rights against NA and its subcontractors for loss or damages caused by burglary, theft, water, smoke, fire or other perils intended to be detected by the security services or covered by insurance to be obtained by Subscriber, except such rights as they may have to the proceeds of insurance.

22. LIMITATION OF LIABILITY: Subscriber agrees that should there arise any liability on the part of NA as a result of NA's negligent performance to any degree or negligent failure to perform any of NA's obligations pursuant to this agreement or any other legal duty, equipment failure, or strict products liability, that NA's liability shall be limited to the sum of \$250.00 or 5% of the sales price or 6 times the aggregate of monthly payments for services being provided at time of loss, whichever is greater. If Subscriber wishes to increase NA's amount of limitation of liability, Subscriber may, as a matter of right, at any time, by entering into a supplemental agreement, obtain a higher limit by paying an annual payment consonant with NA's increased liability. This shall not be construed as insurance coverage.

23. LEGAL ACTION / EARLY TERMINATION / AGREEMENT TO ARBITRATE: The parties agree that due to the nature of the services to be provided by NA, the payments to be made by the Subscriber for the term of the services part of this agreement form an integral part of NA's anticipated profits; that in the event of Subscriber's default it would be difficult if not impossible to fix NA's actual damages. Therefore, in the event Subscriber defaults in any payment or charges to be paid to NA, the balance of all payments for the entire term herein shall immediately become due and payable, and Subscriber shall be liable for 80% thereof as liquidated damages and NA shall be permitted to terminate all its services, including but not limited to terminating monitoring service, under this agreement and to remotely re-program or delete any programming without relieving Subscriber of any obligation herein.

If NA prevails in any litigation or arbitration between the parties, Subscriber shall pay NA's legal fees. In any action commenced by NA against Subscriber, Subscriber shall not be permitted to interpose any counterclaim. The parties agree that they may bring claims against the other only in their individual capacity, and not as a class action plaintiff or class action member in any purported class or representative proceeding. Subject to Subscriber's right to bring any claim against NA for up to \$1,000 in small claims court having jurisdiction, any dispute between the parties or arising out of this agreement, including issues of arbitrability, shall, at the option of any party, be determined by arbitration before a single arbitrator administered by Arbitration Services Inc., under its Arbitration Rules www.ArbitrationServicesInc.com, except that no punitive damages may be awarded. Service of process or papers in any legal proceeding or arbitration between the parties may be made by First-Class Mail delivered by the U.S. Postal Service addressed to the party's address in this agreement or another address provided by the party in writing to the party making service. Subscriber submits to the jurisdiction and laws of Indiana and agrees that any litigation or arbitration between the parties must be commenced and maintained in the county where NA's principal place of business is located. The parties waive trial by jury in any action between them unless prohibited by law. Any action by Subscriber against NA must be commenced within one year of the accrual of the cause of action or shall be barred. All actions or proceedings against NA must be based on the provisions of this agreement. Any other action that Subscriber may have or bring against NA in respect to other services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement, and this consent to arbitrate shall survive the termination of this agreement.

24. NA'S RIGHT TO SUBCONTRACT SPECIAL SERVICES: Subscriber agrees that NA is authorized and permitted to subcontract any services to be provided by NA to third parties who may be independent of NA, and that NA shall not be liable for any loss or damage sustained by Subscriber by reason of fire, theft, burglary or any other cause whatsoever caused by the negligence of third parties. Subscriber appoints NA to act as Subscriber's agent with respect to such third parties, except that NA shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to NA's disclaimer of warranties, exemption from liability, even for its

negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignees, subcontractors, manufacturers, vendors and central offices of NA.

25. FALSE ALARMS / PERMIT FEES: Subscriber is responsible for all alarm permits and fees, agrees to file for and maintain any permits required by applicable law and indemnify or reimburse NA for any fines relating to permits or false alarms. NA shall have no liability for permit fees, false alarms, false alarm fines, police or fire response, any damage to personal or real property or personal injury caused by police or fire department response to alarm, whether false alarm or otherwise, or the refusal of the police or fire department to respond. In the event of termination of police or fire response by the municipal police or fire department this agreement shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. Should NA be required by existing or hereafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay NA for such service or material.

26. CREDIT INVESTIGATION: Subscriber and any guarantor authorize NA to conduct credit investigations from time to time to determine Subscriber's and guarantor's credit worthiness.

27. FULL AGREEMENT / SEVERABILITY: This agreement along with the Schedule of Equipment and Services constitutes the full understanding of the parties and may not be amended, modified or canceled, except in writing signed by both parties, except NA's requirements regarding items of protection provided for in this agreement imposed by Authority Having Jurisdiction. Subscriber acknowledges and represents that Subscriber has not relied on any representation, assertion, guarantee, warranty, collateral agreement or other assurance, except those set forth in this Agreement. Subscriber hereby waives all rights and remedies, at law or in equity, arising, or which may arise, as the result of Subscriber's reliance on such representation, assertion, guarantee, warranty, collateral agreement or other assurance. To the extent this agreement is inconsistent with any other document, agreement, purchase order or understanding between the parties, the terms of this agreement shall govern. Should any provision of this agreement be deemed void, the remaining parts shall not be effected.

SUBSCRIBER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY OF THIS 4 PAGE AGREEMENT AND SCHEDULE OF EQUIPMENT AT TIME OF EXECUTION.

NELSON ALARM:

SUBSCRIBER:

Prepared By: _____

Signature: _____

Approved By: _____

Printed Name: _____

Date: _____

Date: _____

ACH AUTHORIZATION:

I authorize NA to charge my bank account indicated below on the 10th of each quarter for advance payment of my central station monitoring and applicable services checked in section 2 of this agreement. Subscriber initials _____.

Name on Acct: _____

Bank Name: _____

Account #: _____

Routing #: _____

Bank City / State: _____

