

SECURITY SERVICES AGREEMENT

- NEW SYSTEM EXISTING SYSTEM RESIDENTIAL COMMERCIAL
- HARD WIRE WIRELESS BACKUP TRANSMISSION
- MONITORING INTRUSION CARBON MONOXIDE
- FIRE WATER FLOW VALVE FIRE INSPECTION AND TESTING
- VIDEO ACCESS CONTROL
- SERVICE AND REPAIR

This Security Services Agreement is entered into on _____, 20__, by and between Bellefontaine COA (you, your) and Raptor Security, Inc., a California corporation (we, us, our).

CLIENT INFORMATION

Contact Person: Al Simonelli, Association Manager – Hilltop Community Executives, Agents for Bellefontaine COA
 Premises Address: 2400 Sixth Avenue, San Diego, CA 92101
 Billing Address: _____
 Phone: _____ Cell Phone: _____ Email: _____

1. **Term.** The original term of this Agreement is two(2) year(s). After the original term, this Agreement automatically renews for successive 1-year periods unless either party notifies the other in writing of its intent to terminate this Agreement no less than 30 days prior to the expiration of the original or renewal period. _____ Your Initials

2. **Central Station Monitoring Services.** You have chosen the monitoring service, and agree that the service meets your needs. **Additional, different, or higher levels of protection and service were discussed with you and are available from us at an additional cost.** Upon connection or activation of your alarm system (System), we shall thoroughly instruct you in the proper use of the System. The signals from the System at the Premises are monitored at our central monitoring station or an independent central monitoring station ("central station") that we select. We shall install, cause to be installed, or program, whether in person or remotely, a communicator at your Premises to transmit alarm signals from your System to our central monitoring station. When this Agreement expires or is terminated, you will immediately allow us to remove or deactivate, whether remotely or otherwise, the communicator. **You are responsible for monitoring fees until the communicator is deprogrammed.** We are not obligated to restore the Premises to its original condition or to redecorate the Premises if the System is removed for any reason.

You agree that we may program the System remotely, and you will allow us access to do so. If your law-enforcement requires or later requires visual or enhanced verification of an emergency before responding to a System signal, you will comply with the requirement and will subscribe for that service if provided by us. We may charge an additional fee for that service. Our yard signs and window stickers remain our property at all times and may be removed by us.

You have thoroughly discussed with us the availability of back-up transmission of alarm signals from the System to the central station, and that these services are available at an additional cost. You do not want back-up transmission of alarm signals and understand that if your telephone service is interrupted or disconnected, no signal will be sent to the central station, and law enforcement or the fire department will not be called. _____ Your Initials

3. **Services and Payment.** Our services and scope of work are set forth in the Rider to Installation or Security Services Agreement attached here and incorporated here by reference as though set forth in full.

<input type="checkbox"/> Monthly Monitoring:	\$ _____
<input checked="" type="checkbox"/> Monthly Monitoring and Service and Repair:	\$ <u>376.00</u>
<input type="checkbox"/> Extended Service and Repair:	\$ _____
<input type="checkbox"/> Back-Up Transmission of Signals:	\$ _____
<input type="checkbox"/> Other Service – See attached Rider*:	\$ _____

TOTAL AMOUNT FOR ORIGINAL TERM: \$ 9,024.00

Payment Options for Service or Monitoring:

Quarterly – \$ _____ Semi-Annually – \$ 2,256.00 Annually – \$ _____ (paid in same month as above)

Fire Testing or Inspection: \$ _____ Payable upon delivery of report

In addition, you will pay the prorated fees for the month in which monitoring services begin. Payments are payable in advance, on the first day of the month, commencing on the date set forth above. Your payments shown above do not include any applicable tax. If any taxes are due, you shall pay the tax in addition to your monthly payments. You agree to let us investigate your credit record, and to report your payment performance under this Agreement to credit agencies and credit reporting services. **No finance charge or cost of credit is associated with this Agreement.**

4. **Fire Testing and Inspection.** If this service is selected, we will test and inspect the electronic fire system ("Fire System") according to NFPA 72 or any other applicable code, regulation, or guideline of the authority having jurisdiction of your Premises. We will without warranty record normal and abnormal conditions or characteristics for the System or the portion of the System being tested or inspected, including panels and other Fire System devices or components. Our written report is provided to you within 2 days of the test or inspection. We will without warranty note the procedures performed, as well as any defects or deficiencies discovered and recommendations made. We will return all paperwork or plans provided to us by you upon the completion of the tests or inspections or with the delivery of the written report.

You must provide us a minimum of 24 hours notice of cancellation of a scheduled inspection or testing. You will pay us a cancellation fee of \$ 35.00 per scheduled inspection for cancellations not received on a timely basis.

5. **Liquidated Damages; Limitation of Liability.** We and our divisions or affiliates are not insurers. You will obtain all property, life, health, or disability insurance. The payments required are based solely upon the value of the System or service, and not on the value of your property or the property of others located in or on your Premises. We make no guarantee or warranty that the service will avert or prevent occurrences or the consequences therefrom, which the System or services is designed to detect or avert. It is impractical and extremely difficult to determine in advance (1) the value of your property or the property of others kept on the Premises, which may be lost, stolen, or damaged if the System or service does not operate properly; (2) the response time of the central station, law-enforcement agency, fire department, paramedic unit, or guard service, if any; (3) what portion, if any, of a loss, personal injury, or death would be proximately caused by our failure to perform or negligence; or (4) whether CCTV will detect or prevent unauthorized intrusions or activities.

If we are found liable for injury, loss, or damage of any kind whatsoever from our failure to perform any of our obligations under this Agreement, failure of the System, equipment, or service in any manner, breach of warranty, or our active or passive negligence, then our liability shall be limited to a sum equal to one-half of the annual monitoring fees or \$500, whichever is less, as liquidated damages and not as a penalty. This is your only remedy regardless of the legal theory used to find the central station or us liable.

You may obtain a higher limitation of liability by paying an additional charge. If you elect this option, a rider will be attached to this Agreement stating the terms, conditions, and amount of the limited liability and the additional charge. The rider and additional obligation shall in no manner whatsoever be interpreted to hold us as an insurer.

6. **Response to Alarms.** Upon receipt of an intrusion signal from your System to the central station, we shall, without warranty, make every reasonable effort to reach you or someone at the Premises who is on your Authorized Call List ("Call List") and can verify whether an alarm is false. A second call attempt is made to the next person on your call list if we are unable to reach you or someone at the Premises. We will call the specified telephone number(s) you have supplied to us in writing. If we are unable to reach the first 3 people on your Call List or if we in our sole discretion question a response we have received, we shall, without warranty, dispatch law enforcement. We shall, without warranty, dispatch emergency personnel upon receipt of fire, duress, or panic alarms. Certain law-enforcement or emergency agencies will not respond to an alarm signal unless you have a valid alarm user permit, which you must keep current and renewed as required. See Paragraph 14 for more information regarding alarm permits. You consent to the recording of all telephone calls with the central station. **You understand that law enforcement, the fire department, or other responding authority may forcibly enter the Premises when they have been notified that we have received a carbon monoxide signal.**

7. **FAMILIARIZATION PERIOD. UNLESS YOU HAVE REJECTED THE FAMILIARIZATION PERIOD (EXCEPT WHERE REQUIRED BY LAW) BY INITIALING THIS PARAGRAPH, DURING A 7-DAY PERIOD (OR ANY PERIOD REQUIRED BY LAW) FOLLOWING COMPLETION OF INSTALLATION AND CONNECTION TO THE CENTRAL STATION (AND DURING ANY APPLICABLE EXTENSIONS), WE HAVE NO OBLIGATION TO, AND WILL NOT, RESPOND TO ANY ALARM SIGNAL FROM YOUR PREMISES THAT IS RECEIVED BY OUR CENTRAL STATION. DURING THIS PERIOD, WE HAVE NO OBLIGATION TO, AND WILL NOT, NOTIFY ANY PUBLIC AUTHORITIES, YOU, OR YOUR DESIGNATED REPRESENTATIVE, OR TAKE ANY OTHER ACTION WITH REGARD TO ANY ALARM SIGNAL WE RECEIVE, EVEN IF AN ACTUAL EMERGENCY EXISTS.**

_____ Your Initials

8. **Disclaimer of Warranties; Consequential Damages.** We do not represent or warrant that the System or service may not be compromised or by-passed; will deter or prevent all burglaries, hold-ups, fires, smoke or water damage, or otherwise; or that it will in all cases provide the protection for which it was installed or intended. We have made no representations or warranties, express or implied, as to any matter whatsoever, and you have not relied on any representation or warranty, express or implied. **YOU AGREE THAT IF THE CENTRAL STATION OR WE WERE TO HAVE ANY LIABILITY GREATER THAN THAT AGREED TO BY YOU IN PARAGRAPHS 5, 17, AND 20 OF THIS AGREEMENT, WE COULD NOT AND WOULD NOT PROVIDE THE SYSTEM OR SERVICES.** Any affirmation of fact or promise does not create an express warranty. We are not liable for consequential or incidental damages. No warranties extend beyond the face of this Agreement. Some states do not allow the exclusion or the limitation of consequential or incidental damages, so the above limitations or exclusions may not apply to you.

9. **Service or Repair Services.** Call us at the number above to request service or repair. We will, upon your request, provide ordinary service and repair of the components or equipment installed by us and which is located on your Premises.

If you selected the Service and Repair option, our service or repair will include all parts and labor for repairs necessitated by ordinary wear and tear, **excluding equipment not installed by us, alarm screens, or other disposable items.** You will pay for those items at our then prevailing rates. Your monthly service charge does not cover any malfunction or damage caused by accident, misuse, acts of God, birds, rodents, or other animals, or installation by anyone other than us. Service and repair of this nature is provided at our then prevailing rates for labor and equipment. This service and repair is terminated immediately, and will be of no force or effect, if anyone other than an authorized company representative attempts the service, repair, or modification of any portion of the System.

If you did not select the Service and Repair option, our service or repair is provided at our then existing labor rates and service call fees, plus parts and materials.

Any repair, service, replacement, or addition of equipment by us after the initial installation or programming of the System, whether covered by the Limited Warranty or otherwise, is governed by this Agreement, in particular Paragraphs 5, 17, and 20, which limit our liability.

We may substitute materials of equal quality at time of replacement and may install reconditioned used parts. If the repair costs exceed the replacement cost, we may replace the defective equipment with new or refurbished equipment substantially equivalent to or with comparable features as the existing equipment, if available. The replacement equipment may have a higher or lower selling price than the original equipment you have.

All repairs are usually performed as soon as reasonably possible. Service or repair is provided Monday through Friday, excluding holidays, between the hours of 9:00 a.m. and 4:00 p.m. Emergency service is available at all other times at our premium labor rate. We may program, alter, or repair the System remotely, and you will allow us access to do so. We are not responsible for loss or damage while the System is under repair or is awaiting parts.

10. Telephone Lines.

A. You must pay all charges made by the telephone company or other utilities for installation or activation of service connections, telephone jacks, leasing, and service charges of telephone lines connecting your Premises to our central station. All charges for the installation and continuity of telephone service connections for the System are your sole responsibility. **If your telephone service is out of order, disconnected, placed on vacation, or otherwise interrupted, signals from your System will not be received by our central station during any interruption in telephone service. Interruptions will not be known to our central station or us, and the authorities will not be notified. Activation of the System will interrupt and disconnect any telephone call in progress. You will be unable to use that line for 911 or any other emergency service. For these reasons, we recommend a dedicated telephone line for your System.**

B. You must pay us for any costs incurred to reprogram the digital communicator to conform to telephone company-initiated changes in dialing procedures. Costs are based on our then current standard service call charge.

C. Any enhancements to your telephone or transmission service, such as Internet, DSL, broadband, BPL (Broadband over Power Lines), or Voice over Internet Protocol (VoIP), may interfere with the signals sent by the System to the central station. DSL or VoIP will not work without electrical power, and may interfere with your ability to call 911 or interfere with the telephone line-seizure feature of the System. You must immediately notify us of any change whatsoever to your telephone service and request an inspection and test of the System to make sure that the System is operational and properly transmitting signals.

11. Backup Transmission. You may elect to provide backup signal transmission by radio, cellular, satellite, or an Internet system instead of, or in addition to, telephone lines or cable. **Radio or cellular transmissions are subject to environmental factors, both natural and manmade, that are totally beyond our control. Satellite and Internet access are totally beyond our control.** The use of radio frequencies is controlled by the Federal Communications Commission, and changes in FCC rules, regulations, and policies may necessitate discontinuing transmissions. You must pay all monthly service charges connecting your Premises to our central station.

12. False Alarms. If you cause an excessive number of false alarms through carelessness, or malicious or accidental use of the System, or if you shall in any manner misuse or abuse the System, your conduct is a material breach of contract. We may at our option, in addition to all other legal remedies, terminate this Agreement after giving you 10-days written notice. You will immediately reimburse us for payment of any false alarm fine, penalty, or fee. You are solely responsible for all false alarm fines, whether assessed against you or us. You will reimburse us for any charges from a private guard service in response to a false alarm from your Premises.

13. Interruption, Suspension, or Cancellation of Service. We are not liable for interruption or delay of service due to strikes, riots, floods, storms, earthquakes, fire, power failures, war, declared or undeclared, terrorism, insurrection, interruption or unavailability of telephone, cellular, cable, radio, Internet, or other transmission services, acts of God, or for any other cause beyond our control. We are not required to supply monitoring or repair services to you while any of these causes exist. If services are suspended for these reasons, you must continue to pay under the terms of this Agreement. This Agreement is suspended without notice if the central station or your Premises or equipment are destroyed by fire or other catastrophe, are so substantially damaged that it is impractical to continue service, or if the central station or we are unable to render service.

14. Your Duties; Wireless Devices; Monitoring / System Permits.

A. You or others using the System must carefully and properly test and set the System immediately prior to the securing of the Premises. You must properly test the System daily during the term of this Agreement. You must notify us immediately if the System does not operate properly or if there is a power failure or other interruption at your Premises. **If your System uses wireless battery-operated devices, you must replace the batteries when the System emits a low-battery signal or at least once a year. You may also call us if the System emits a low-battery signal. We will replace the batteries at your expense at our then current labor and material rate. If you fail to replace the batteries, the System will not function properly.**

B. You must immediately notify us of any changes to the Premises or to any fixtures, furniture, or equipment.

C. You must provide 24-hour electrical service and electrical outlets for the System.

D. Monitoring may be subject to permit fees. Obtaining and maintaining a permit, if required, is your sole responsibility. You are solely responsible for paying for all monitoring, alarm, or system permits, licenses, or fees imposed by authorities having jurisdiction necessary for the use and operation of the System, and all other charges or fees imposed. You are solely responsible for determining whether the city, county, or governmental subdivision in which the Premises are located has or may later have statutes or ordinances requiring that you obtain and maintain a license or permit for the System.

E. Certain law-enforcement agencies will not respond to an alarm signal unless you have a valid alarm-user permit or license, which must be kept current and active as required. We must know your permit number in order to request an emergency response. **We may not be able to dispatch a law-enforcement agency or fire department to the Premises in response to any alarm until you have obtained, at your expense, all necessary permits or licenses, and have provided us with the license or permit number.**

F. You will indemnify and defend us from any claim made by another alarm company regarding its contract with you.

15. **Authorized Call List.** You will immediately furnish to us in writing a written list of names, relationship, titles, residence addresses, and telephone, cell, and pager numbers of all persons to be notified if there is an alarm and the order in which these persons are to be called. All changes to your Call List must be supplied to us only in writing and only become effective upon our acknowledgment of receipt and your confirmation of the changes.

16. **Change in Ownership of Premises.** The vacation of your Premises does not relieve you of your duties and obligations under this Agreement.

17. **Assignment; Rights of Subcontractors.** We have the right to assign this Agreement, or extensions or renewals of the Agreement, to any person or entity without notice to you. You cannot assign or transfer this Agreement without our prior written consent. We may subcontract any of the work to be performed under this Agreement, including monitoring, without notice to you. This Agreement, especially Paragraphs 5 and 20, protects the subcontractors in the same way that the paragraphs protect us.

18. **Default by You; Late Charge.** Any of the following constitutes your default under this Agreement: 1) failure to pay any amount provided in this Agreement within 10 days after the same is due; 2) failure to communicate or cooperate with us or to perform any other obligations under this Agreement within 5 days after written request by us; or 3) you become a debtor in a bankruptcy proceeding. We have the right to discontinue all services upon 5 days written notice to you, accelerate all amounts to become due under this Agreement, and recover all sums due to us if you default. Reactivation is subject to a \$100.00 fee plus payment of all past due amounts if we for any reason discontinue service and you desire to reactivate the service. You will pay simple interest in the amount of 10% per year [periodic rate of .833% per month] on each payment due that is more than 10 days late until the balance is paid in full. You will pay a service charge of \$25.00 for each returned check.

19. **Change in Rates.**

A. We have the right to increase the monitoring fee provided for at any time after the expiration of the initial term of this Agreement, but not more than once in any 12-month period, and upon giving you written notice 30 days in advance of the effective date of the increase. If you do not want to pay the increased charge, you may cancel the then unexpired term of this Agreement by notifying us in writing 15 days prior to the effective date of the increase.

B. We have the right, at any time, to increase the monitoring fees to reflect increases in federal, state, and local taxes, utility charges including telephone company charges, and municipal fees and charges, which are imposed on us and which relate to the services provided under this Agreement. You must pay all increased monitoring fees.

20. **Third Party Indemnification; Subrogation.** You will indemnify and defend us against all claims brought by others, whether for personal injury, property damage, or death. This provision applies to all claims regardless of cause, including our or the System's performance or failure to perform, defects in products, design, installation, activation, or service, negligence, warranty, contribution, indemnification, or strict or products liability. So far as permitted by your liability or property insurance policy, you release us from all claims, whether the claims are made by or through you, including your insurance company or other parties, and will defend and hold us harmless from all claims. You will notify your insurance company of these terms.

21. **Notices.** All notices regarding this Agreement are in writing and may be served by personal delivery; by a reputable overnight carrier with all delivery charges provided for; or certified mail, return-receipt requested, and regular mail with postage prepaid, to the addresses set forth in this Agreement or to any other address provided by one party to the other from time-to-time in writing.

22. **Limitation of Actions; Governing Law.** Any lawsuit, proceeding, or action that arises out of or relates to this Agreement, whether based upon contract, negligence, or otherwise, must be brought no later than 1 year after the accrual of the claim. This Agreement was made and entered into in San Diego County, California between California domiciliaries. The validity, meaning, and effect of this Agreement are determined in accordance with California law, regardless of choice of law principles.

23. **Entire Agreement.** This Agreement is the final expression of and sets forth the entire agreement between the parties. No other agreements, representations, or warranties, express or implied, oral or written, have been made by any party to the other with respect to this Agreement. All prior and contemporaneous conversations, negotiations, and warranties are not relied upon and are waived. This Agreement supersedes and replaces all prior oral or written agreements or understandings between the parties. This is an integrated agreement. This Agreement cannot be modified, altered, or amended verbally, and must be in writing signed by authorized representatives of both parties. This Agreement governs if there is any conflict between this Agreement and your purchase order or other document delivered to us, whether the purchase order or document is prior or subsequent to this Agreement.

24. **Enforceability; Waiver of Breach.** If any part of this Agreement is deemed void, the remaining portions of the Agreement remain enforceable. No waiver of a breach of any term or condition of this Agreement is construed as a waiver of any succeeding breach.

25. **Interpretation; Construction.** The captions are for convenience of reference only and have no force or effect in the interpretation or construction of this Agreement. Wherever the context requires, the neuter includes the masculine or feminine gender, and the singular includes the plural. Each term of this Agreement is a condition to be faithfully and fully performed. The rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

26. **Authorized Signatories.** The individuals executing this Agreement are authorized signatories and have the full power to enter into this Agreement, and make the representations and warranties set forth here.

27. **State Licenses.** Alarm Company Operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, California 95814. Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within 4 years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

ACCEPTANCE

The prices, specifications, and conditions in this Agreement are satisfactory. You understand, approve, and accept this Agreement, in particular Paragraphs 5, 17, and 20, which set forth our maximum liability if there is any loss or damage to you or any third party. You understand that you may obtain a higher liability limit by paying an additional charge. You have received a completed copy of this Agreement and, for our residential customers, a Notice of Right to Cancel. **You have been advised that there are additional, different, or higher levels of protection and service available. The services provided are based upon your specific request, approval, and cost considerations, for which you will hold us harmless. For our residential customers only, you, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached Notice of Right to Cancel form for an explanation of this right.**

FAMILIARIZATION PERIOD REJECTED _____

YOU

RAPTOR SECURITY, INC.

Dated: _____
Print Your Name

Authorized Company Officer
Alarm Agent No.: 91412

Your Title: _____

Dated: _____

Your Signature: _____

This
is
not
a
contract
Apr 11 2013

THIS AGREEMENT IS NOT BINDING UPON US UNLESS EITHER (1) IT IS APPROVED IN WRITING BY AN AUTHORIZED COMPANY OFFICER, OR (2) WE START MONITORING. OUR SOLE LIABILITY IS TO REFUND TO YOU THE AMOUNT THAT HAS BEEN PAID TO US UPON THE SIGNING OF THE AGREEMENT IF WE DO NOT APPROVE THE AGREEMENT.