

OPENBAND HOME SECURITY MONITORING

1. PAYMENTS; TERM; CONSUMER REPORT. All charges are payable in advance. The initial term of this Contract is for one (1) year and is a requirement of any OpenBand security system purchase whether purchased through OpenBand directly or through a builder. Our alarm monitoring and notification services will begin when the equipment is installed and is operational, and when the necessary communications connection is completed. This Contract will automatically renew for successive one (1) year terms unless terminated by either party's written notice at least 30 days before the end of the then-current term. If terminated, this Contract ends on the last day of the then-current term.

2. EARLY TERMINATION OF THIS CONTRACT. YOU AGREE THAT THE CHARGES DUE UNDER THIS CONTRACT ARE BASED ON YOUR AGREEMENT TO RECEIVE AND TO PAY FOR THE SERVICE FOR ONE FULL YEAR. ACCORDINGLY, YOU AGREE THAT, IF YOU TERMINATE THIS CONTRACT DURING THE FIRST YEAR OR DURING ANY SUBSEQUENT RENEWAL YEAR, YOU WILL PAY THE REMAINING BALANCE DUE FOR THE FULL YEAR FROM DATE OF INSTALLATION OR RENEWAL. THESE AMOUNTS ARE AGREED UPON DAMAGES AND ARE NOT A PENALTY.

3. INCREASES IN CHARGES. OpenBand reserves the right to increase the annual service charge at any time upon completion of the first year of service. Upon notice of an increase, you may terminate this contract by providing us written notice with in thirty (30) days of notice of a rate increase. Upon receipt of said written notice to terminate you will not be required to pay the early termination charges described in Paragraph 2 above.

4. ADDITIONAL CHARGES. You agree to pay all false alarm assessments, taxes, fees or other charges of any police or fire department, or any other governmental body. You agree to pay all telephone or signal transmission company charges for area code, telephone numbering or other changes. You agree to pay us to reprogram the system if necessary to comply with any area code, telephone numbering or other changes. You agree to pay to us any increases in our cost for facilities used for transmitting alarm signals under this Contract. You agree to pay a service charge if our representative responds to a service call or alarm at your premises because you improperly followed operating instructions, failed to properly lock or close a window, door or other protected point or improperly adjusted CCTV cameras, monitors or accessories.

5. WE ARE NOT AN INSURER. WE ARE NOT AN INSURER AND YOU WILL OBTAIN FROM AN INSURER ANY INSURANCE YOU DESIRE. THE AMOUNT YOU PAY US IS BASED UPON THE SERVICES WE PERFORM AND THE LIMITED LIABILITY WE ASSUME UNDER THIS CONTRACT AND IS UNRELATED TO THE VALUE OF YOUR PROPERTY OR THE PROPERTY OF OTHERS LOCATED IN YOUR PREMISES. IN THE EVENT OF ANY LOSS OR INJURY TO ANY PERSON OR PROPERTY, YOU AGREE TO LOOK EXCLUSIVELY TO YOUR INSURER TO RECOVER DAMAGES. YOU WAIVE ALL SUBROGATION AND OTHER RIGHTS OF RECOVERY AGAINST US THAT ANY INSURER OR OTHER PERSON MAY HAVE AS A RESULT OF PAYING ANY CLAIM FOR LOSS OR INJURY TO ANY OTHER PERSON.

6. NO LIABILITY; LIMITED LIABILITY. IT WILL BE EXTREMELY DIFFICULT TO DETERMINE THE ACTUAL DAMAGES THAT MAY RESULT FROM OUR FAILURE TO PERFORM OUR DUTIES UNDER THIS CONTRACT. YOU AGREE THAT WE AND OUR AGENTS, EMPLOYEES, SUBSIDIARIES, AFFILIATES AND PARENT COMPANIES ARE EXEMPT FROM LIABILITY FOR ANY LOSS, DAMAGE, INJURY OR OTHER CONSEQUENCE ARISING DIRECTLY OR INDIRECTLY FROM THE SERVICES WE PERFORM OR THE SYSTEMS WE PROVIDE UNDER THIS CONTRACT. IF IT IS DETERMINED THAT WE OR ANY OF OUR AGENTS, EMPLOYEES, SUBSIDIARIES, AFFILIATES OR PARENT COMPANIES ARE DIRECTLY OR INDIRECTLY RESPONSIBLE FOR ANY SUCH LOSS, DAMAGE, INJURY OR OTHER CONSEQUENCE, YOU AGREE THAT DAMAGES SHALL BE LIMITED TO THE GREATER OF \$500 OR 10% OF THE ANNUAL SERVICE CHARGE YOU PAY UNDER THIS CONTRACT. THESE AGREED UPON DAMAGES ARE NOT A PENALTY. THEY ARE YOUR SOLE REMEDY NO MATTER HOW THE LOSS, DAMAGE, INJURY OR OTHER CONSEQUENCE IS CAUSED, EVEN IF CAUSED BY OUR NEGLIGENCE, GROSS NEGLIGENCE, FAILURE TO PERFORM DUTIES UNDER THIS CONTRACT, STRICT LIABILITY, FAILURE TO COMPLY WITH ANY APPLICABLE LAW, OR OTHER FAULT. AT YOUR REQUEST, WE MAY ASSUME ADDITIONAL LIABILITY BY ATTACHING AN AMENDMENT TO THIS CONTRACT STATING THE EXTENT OF OUR ADDITIONAL LIABILITY AND THE ADDITIONAL COST TO YOU. YOU AGREE THAT WE ARE NOT AN INSURER EVEN IF WE ENTER INTO ANY SUCH AN AMENDMENT.

7. EXCLUSIVE DAMAGES REMEDY. YOUR EXCLUSIVE DAMAGE AND LIABILITY REMEDIES ARE SET FORTH IN PARAGRAPH 6 ABOVE. WE ARE NOT LIABLE TO YOU OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

8. HOLD HARMLESS. IN THE EVENT ANY LAWSUIT OR OTHER CLAIM IS FILED BY ANY OTHER PARTY AGAINST US OR OUR AGENTS, EMPLOYEES, SUBSIDIARIES, AFFILIATES OR PARENT COMPANIES ARISING OUT OF THE SERVICES WE PERFORM OR THE SYSTEMS WE PROVIDE UNDER THIS CONTRACT, YOU AGREE TO BE SOLELY RESPONSIBLE FOR, AND TO INDEMNIFY AND HOLD US COMPLETELY HARMLESS FROM, SUCH LAWSUIT OR OTHER CLAIM INCLUDING YOUR PAYMENT OF ALL DAMAGES, EXPENSES, COSTS AND ATTORNEYS' FEES. THESE OBLIGATIONS WILL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS CONTRACT. THESE OBLIGATIONS WILL APPLY EVEN IF SUCH LAWSUIT OR OTHER CLAIM ARISES OUT OF OUR NEGLIGENCE, GROSS NEGLIGENCE, FAILURE TO PERFORM DUTIES UNDER THIS CONTRACT, STRICT LIABILITY, FAILURE TO COMPLY WITH ANY APPLICABLE LAW, OR OTHER FAULT.

9. OTHER PARTY'S LIMITATION. IF YOU PURCHASED OUR SERVICES OR SYSTEMS THROUGH ANOTHER BUSINESS OR PERSON, OR FROM US THROUGH A REFERRAL FROM ANOTHER BUSINESS OR PERSON, YOU AGREE THAT SUCH OTHER BUSINESS OR PERSON ACTS SOLELY AS AN INDEPENDENT CONTRACTOR. SUCH BUSINESS OR PERSON SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU FOR THE PERFORMANCE OR NONPERFORMANCE OF THE SYSTEM OR SERVICES WE PROVIDE UNDER THIS CONTRACT. WITHOUT LIMITING THE ABOVE, YOU AGREE THAT THE LIABILITY OF SUCH OTHER BUSINESS OR PERSON IS, IN ANY EVENT, LIMITED IN ACCORDANCE WITH THE PROVISIONS OF THIS CONTRACT, INCLUDING BUT NOT LIMITED TO PARAGRAPHS 5, 6, 7, 8, 9 AND 10. YOU AGREE THAT SUCH BUSINESS OR PERSON AND ITS AGENTS, EMPLOYEES, SUBSIDIARIES, AFFILIATES AND PARENT COMPANIES MAY INVOKE ALL OF OUR RIGHTS UNDER THESE PARAGRAPHS.

10. TIME TO FILE LAWSUIT OR OTHER ACTION. YOU AGREE TO FILE ANY LAWSUIT OR OTHER ACTION YOU MAY HAVE AGAINST US OR OUR AGENTS, EMPLOYEES, SUBSIDIARIES, AFFILIATES OR PARENT COMPANIES WITHIN ONE YEAR FROM THE DATE OF THE EVENT THAT CAUSED THE LOSS, DAMAGE OR LIABILITY.

11. INSTALLATION. If equipment installation is required, OpenBand will install the equipment in a workmanlike manner under the following conditions: A. Your premises will be available without interruption during our normal working hours; B. You understand that the installation will require drilling into various parts of your premises; C. You will provide us with 110 AC electrical outlets for our power equipment in locations designated by us; D. You will make arrangements for lifting and replacing carpeting, if required, for our installation of floor mats or wiring; E. You warrant that you (1) requested the equipment and services specified in this Contract for your own use and not for the benefit of any other party, (2) own the premises where the equipment is being installed or that you have the authority to authorize us to install such equipment in the premises, and (3) will comply with all laws, codes and regulations pertaining to the equipment we install and the services we provide under this Contract. Our intent is to conceal wiring in the finished areas of your premises. However, there may be areas where we determine, in our sole discretion, it is impractical to conceal the wiring. In such areas, wiring will be exposed.

12. LIMITED WARRANTY. During the first 12 months after installation, we will repair or, at our option, replace any defective part of the system, including wiring, and will make any needed mechanical adjustments, all at no charge to you. We will use new or functionally operative parts for replacements. This warranty is for your benefit only, and may not be enforced by any other person. This warranty gives you specific legal rights. The laws of the state where this Contract was signed may also give you additional rights.

13. EXTENDED LIMITED WARRANTY. If you have purchased our Extended Limited Warranty, we will extend the Limited Warranty explained above for the term of this contract. The Extended Limited Warranty will automatically renew for successive two-year terms at our then-current annual service charge unless terminated by either party's written notice given at least 30 days before the end of the then-current term.

14. WARRANTY EXCLUSIONS. We perform warranty services only during our normal working hours. IF YOU REQUEST US TO PERFORM WARRANTY SERVICES OUTSIDE OUR NORMAL WORKING HOURS, YOU WILL BE REQUIRED TO PAY US FOR THE SERVICES AT OUR THEN APPLICABLE RATES FOR LABOR AND PARTS. THE LIMITED WARRANTY AND, IF PURCHASED, THE EXTENDED LIMITED WARRANTY DO NOT APPLY IF WE DETERMINE UPON INSPECTION THAT ANY OF THE FOLLOWING CONDITIONS CAUSED THE NEED FOR SERVICE: A. Damage resulting from accidents, Acts of God, alterations or misuse; B. You fail to properly close or secure a door, window or other point protected by an alarm device; C. You fail to properly follow the operating instructions; D. Trouble in a telephone line or due to interruption of power; E. Repairs needed to window foil, security screens, exterior mounted devices or PROM (Programmable Read Only Memory) batteries; F. Ordinary maintenance or wear and tear; G. Alterations to your premises; or H. Alterations to the system made at your request, or made necessary by a change to your premises, damage to your premises or the alarm system, or for any other cause beyond our control. We will not perform warranty services on any device not installed by us. You must furnish the necessary electrical power through your meter at your expense to obtain warranty services.

15. NO OTHER WARRANTIES. OTHER THAN THE LIMITED WARRANTY AND, IF PURCHASED, THE EXTENDED LIMITED WARRANTY, WE MAKE NO GUARANTY OR WARRANTY OF ANY KIND, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES WE PERFORM OR THE SYSTEMS WE PROVIDE UNDER THIS CONTRACT. YOUR EXCLUSIVE WARRANTY REMEDY IS SET FORTH ABOVE. WE ARE NOT LIABLE TO YOU OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES. SOME STATES MAY NOT ALLOW US TO LIMIT THE LENGTH OF AN IMPLIED WARRANTY OR TO EXCLUDE OR LIMIT INCIDENTAL OR CONSEQUENTIAL DAMAGES. THE LAWS OF THE STATE WHERE THIS CONTRACT WAS SIGNED WILL DETERMINE WHETHER THESE LIMITATIONS AND EXCLUSIONS APPLY.

16. REPAIRS AND PARTS REPLACEMENT. At your request we will repair or replace the equipment we provided at our then-prevailing prices after the Limited Warranty and, if purchased, the Extended Limited Warranty expire. At your request we will also repair or replace anything excluded from the Limited Warranty and Extended Limited Warranty at our then-prevailing prices.

17. ALARM MONITORING AND NOTIFICATION SERVICE. We will provide alarm monitoring and notification service. If you have elected for us to provide Police Emergency Alarm or Duress Alarm (panic-button) monitoring services and such an alarm is received at our alarm-monitoring center, we will attempt to notify the appropriate police department and the representative you designate. If you have elected for us to provide Burglar Alarm or Fire Alarm monitoring services and such an alarm is received at our alarm monitoring center, we may, at our sole discretion, attempt to contact your premises by telephone to confirm that the alarm is not false. If we fail to contact you or if we question the response we receive upon such contact, we will attempt to notify the appropriate police department or fire department. If you have elected for us to provide Supervisory Alarm or Trouble Alarm monitoring services and such an alarm is received at our alarm-monitoring center, we will attempt to notify the representative you designate. The person(s) identified on your Emergency Contact List are authorized to act on your behalf. You understand that the equipment we provide may not operate with other companies' alarm monitoring equipment. This may prevent you from using such equipment in the event you terminate our services. You understand that local laws, ordinances or policies may restrict our ability to provide the alarm monitoring and notification services described in this Contract. You understand that, upon receiving notification that a fire or carbon monoxide signal has been received by us, the police, fire department or other responding authority may forcibly enter your residence. WE WILL NOT ARREST OR DETAIN ANY PERSON.

18. FAMILIARIZATION PERIOD. UNLESS YOU HAVE REJECTED THE FAMILIARIZATION PERIOD BY INITIALING THE APPROPRIATE LINE ON THE FIRST PAGE OF THIS CONTRACT, YOU AGREE THAT DURING A FIVE DAY FAMILIARIZATION PERIOD FOLLOWING COMPLETION OF THE INSTALLATION (AND DURING ANY APPLICABLE EXTENSIONS) WE HAVE NO OBLIGATION TO, AND WILL NOT, RESPOND TO ANY ALARM SIGNAL FROM YOUR PREMISES THAT IS RECEIVED AT OUR ALARM MONITORING CENTER. YOU ALSO AGREE THAT DURING SUCH PERIOD WE HAVE NO OBLIGATION TO, AND WILL NOT, NOTIFY ANY AUTHORITIES, YOU OR YOUR DESIGNATED REPRESENTATIVE, OR TAKE ANY OTHER ACTION WITH REGARD TO ANY ALARM SIGNAL WE RECEIVE, EVEN IF DUE TO AN ACTUAL EMERGENCY EVENT.

19. FAILURE TO PAY CHARGES OR HONOR CONTRACT. If you fail to make any payment when due or fail to honor any other term or condition of this Contract, we may stop providing the alarm monitoring and notification services or disable the equipment with or without notice. You agree that you will grant us access to your residence to allow us to repossess or disable the equipment. You agree that we have no liability if we stop providing the alarm monitoring and notification services and repossess or disable the equipment. You agree that we are not required to redecorate or repair your premises. We do not waive our right to any other legal remedy, including our right to charge you interest at the highest legal rate on the unpaid amount, by stopping to provide the alarm monitoring and notification services or repossessing or disabling the equipment.

20. SMOKE DETECTOR AND OTHER WARNINGS. Our electrical smoke detectors are designed to be connected to an electrical power source. THESE SMOKE DETECTORS WILL NOT OPERATE, THE ALARM WILL NOT SOUND, AND THE ALARM SIGNAL WILL NOT BE TRANSMITTED, IF THE ELECTRICITY IS CUT OFF AND THE BACKUP BATTERY, IF PART OF THE SYSTEM, IS LOW OR DEAD. If there is any fire, the electricity may cut off before the alarm can function and the alarm will not sound, and the alarm signal will not be transmitted. Connecting these smoke detectors to a separate dedicated electrical circuit increases their reliability. However, even dedicated circuits can fail. WE RECOMMEND THAT YOU INSTALL A BATTERY POWERED SMOKE DETECTOR AS A BACKUP SYSTEM. YOU SHOULD REGULARLY INSPECT YOUR SMOKE DETECTORS FOR DIRT AND DUST BUILD-UP AND TEST THEM WEEKLY TO MAINTAIN CONTINUED OPERATION. Smoke detectors can significantly help to reduce loss, injury and death. However, no matter how good any detection device is, nothing works perfectly under every circumstance. WE WARN YOU THAT A SMOKE DETECTOR WILL NOT ENSURE THAT YOU WILL NEVER SUFFER DAMAGE OR INJURY. Our battery-powered motion detectors, smoke detectors, door and window contact transmitters, and other detection sensors, if installed under this Contract, are not connected to the electrical system of your premises. Such detection sensors require batteries to operate. THESE BATTERY POWERED DETECTION SENSORS WILL NOT OPERATE, AND THE ALARM WILL NOT SOUND, IF THE BATTERIES ARE LOW OR DEAD. You are responsible for maintaining the batteries. You should regularly inspect such sensors for dirt and dust buildup and test them weekly to help

maintain continued operation. WE STRONGLY RECOMMEND THAT YOU CAREFULLY READ THE OWNER'S MANUAL FOR ALL EQUIPMENT. THE OWNER'S MANUAL CONTAINS VERY IMPORTANT INFORMATION SUCH AS OPERATING INSTRUCTIONS AND EQUIPMENT TESTING AND MAINTENANCE PROCEDURES. YOU SHOULD ALSO READ ALL INSTRUCTIONS, WARNINGS AND OTHER INFORMATION ON THE EQUIPMENT ITSELF.

21. COMMUNICATION FACILITIES. A. AUTHORIZATION. You authorize us, on your behalf, to request services, orders or equipment from a telephone company or other company providing signal transmission services or facilities under this Contract (referred to as "Telephone Company"). B. DIGITAL COMMUNICATOR. You understand that a digital communicator, if installed under this Contract, uses standard telephone lines for sending signals, which eliminates the need for a dedicated telephone line and the costs associated with such dedicated lines. YOU ALSO UNDERSTAND THAT WE WILL NOT RECEIVE ALARM SIGNALS WHEN THE TELEPHONE LINE OR OTHER TRANSMISSION MODE IS NOT OPERATING OR HAS BEEN CUT, INTERFERED WITH OR IS OTHERWISE DAMAGED, OR WHEN ANY NON-STANDARD TELEPHONE LINE OR SERVICE (INCLUDING BUT NOT LIMITED TO DSL, ADSL, ETC.) IS BEING USED. The Telephone Company's services provided to you in connection with our services may include Derived Local Channel service. Such service may be provided under the Telephone Company's service marks or service names. These services include providing lines, signal paths, scanning and transmission. You agree that the Telephone Company's liability is limited to the same extent our liability is limited in Paragraphs 5, 6, 7, 8, 9 and 10 of this Contract. D. RADIO INTERFACE. You understand that if your alarm system is connected to our alarm-monitoring center by radio frequency method there may be times when the system is unable to acquire, transmit or maintain an alarm signal. Such radio frequency methods include cellular or private radio. If a radio frequency is utilized, we recommend you also use an additional method of communication to connect to our alarm-monitoring center.

22. CANCELLATION. We may, at any time, cancel this Contract at our option if: A. Our alarm monitoring center is destroyed or damaged so that it is impractical for us to continue service; B. We cannot acquire or retain the transmission connections or authorization to transmit signals between your premises and our alarm monitoring center or the applicable fire or police department or other agency, or between our alarm monitoring center and the applicable fire or police department or other agency; C. You fail to follow our recommendations to repair or replace any defective parts of the system not covered under the Limited Warranty or Extended Limited Warranty, if purchased; D. You fail to follow our operating instructions for the system; or E. We determine that it is impractical to continue service due to the modification or alteration of your premises after installation. If we cancel for any of the reasons stated immediately above, we will refund any advance payments made for services to be supplied after the date of such termination, less any amounts still due for the installation of the equipment, for services already rendered, and for any other charges due, but we will not be liable for damages or subject to penalty as a result of such termination. We may cancel this Contract with or without notice at our option if: A. You fail to pay any monies when due under this Contract; B. You fail to comply with any other term or condition of this Contract; or C. You fail to maintain your premises in a safe and sanitary condition. If we cancel for any of the reasons stated immediately above, we will not be liable for damages or subject to penalty as a result of such termination.

23. ASSIGNMENT. You may not assign this Contract without our written consent. We have the right to assign this Contract or to subcontract any of our obligations under it without notifying you.

24. DELAYS. WE HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANY OTHER PERSON FOR DELAYS IN THE INSTALLATION OR REPAIR OF THE SYSTEM OR THE PERFORMANCE OF OUR SERVICES, REGARDLESS OF THE REASON, OR FOR ANY RESULTING CONSEQUENCES. WE HAVE NO RESPONSIBILITY OR LIABILITY FOR INTERRUPTIONS OF SERVICE, OR ANY RESULTING CONSEQUENCES, WHETHER DUE TO STRIKE, RIOT, FLOOD, FIRE, ACT OF GOD, OR ANY OTHER CAUSE BEYOND OUR CONTROL. DURING ANY SUCH SERVICE INTERRUPTION, WE HAVE NO OBLIGATION TO SUPPLY YOU SUBSTITUTE SERVICES.

25. ELECTRONIC MEDIA. You agree that we may convert this Contract into an electronic media such as CD ROM. You also agree that, in the event of any dispute or litigation, a copy of this Contract produced from any such electronic media may serve as the exclusive original. This contract is assessable at our website www.openband.net.

26. ENTIRE AGREEMENT. THIS CONTRACT CONSTITUTES OUR ENTIRE AGREEMENT. BY SIGNING IT YOU ADMIT THAT YOU ARE NOT RELYING ON OUR ADVICE OR ADVERTISEMENTS. YOU AGREE THAT YOU AND WE ARE NOT BOUND BY ANY REPRESENTATION, PROMISE, CONDITION, INDUCEMENT OR WARRANTY, EXPRESS OR IMPLIED, THAT IS NOT INCLUDED IN WRITING IN THIS CONTRACT. THE TERMS AND CONDITIONS OF THIS CONTRACT APPLY AS PRINTED WITHOUT ALTERATION OR QUALIFICATION, UNLESS OUR AUTHORIZED REPRESENTATIVE APPROVES A CHANGE IN WRITING. THE OF THIS CONTRACT SHALL GOVERN EVEN IF YOU SUBMITTED A PURCHASE ORDER OR OTHER TERMS AND CONDITIONS DOCUMENT WITH INCONSISTENT OR ADDITIONAL TERMS AND CONDITIONS.

27. CONFLICTS. This agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to conflict of the provisions thereof. If any portion of this Agreement is declared invalid or unenforceable by a court or governmental authority of competent jurisdiction, this shall not affect the validity or enforceability of any remaining portions, which such remaining portion(s) shall remain in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion(s) eliminated.t the end of the policy.