

DC8700 TERMS AND CONDITIONS (PAGE 2 OF 2)

1. THE MONITORING AGREEMENT: This Agreement provides for monitoring your panic and/or burglar alarm system ("the System"), and is solely between you and us. This Agreement has been written in plain language so that it will be easy for you to understand. ORCA Monitoring Services LLC is sometimes referred to as "we", "us" or "our", and customer is sometimes referred to as "you" or "your." ORCA may terminate monitoring at any time by giving you written notice. If either party terminates service, service will end five (5) days from the date we send, or receive, the termination notice. Monitoring service will not begin and we will have no obligation to notify the police or people on your emergency contact list until we have received and processed (1) a copy of this Agreement signed by you; (2) payment for monitoring service; and (3) a test signal from your System. In the event of our disapproval, our only obligation is to refund to you any advance payment you have paid to us for monitoring. This System may be moved to another location, but you must notify us at least five (5) business days in advance so we can update your account. Monitoring of the System is provided by our monitoring center or an independent monitoring facility we select (either monitoring facility is herein referred to as the "Center").

2. ORCA IS NOT AN INSURER; LIMITATION OF LIABILITY: You understand that: (a) we are not an insurer of your property or the personal safety of persons in your premises; (b) you should provide any insurance on your premises and its contents and any life, disability or health insurance for persons living in your premises; (c) the amount you pay to us is based only on the value of the service we provide; (d) the Systems and the services we may provide, may not always operate properly for various reasons; (e) it is difficult to determine in advance the value of your property that might be lost, stolen, or destroyed, if the System or our service fails to operate properly; (f) it is difficult to determine in advance how fast the police department or others would respond to an alarm signal; (g) it is difficult to determine in advance what portion, if any, of any personal injury or death would be proximately caused by our failure to perform, our negligence, or a failure of the System. **THEREFORE YOU AGREE:** even if a court decides that our breach of this Agreement, or a failure of the System, or a failure of the monitoring services caused or allowed any harm or damage (whether property damage, personal injury or death) to you or anyone in your premises, you agree that the Center's and our total collective liability shall be limited to an amount equal to twice the annual monitoring fee and this shall be your only remedy regardless of what legal theory (including without limitation: breach of contract, negligence, products liability or breach of warranty) is used to determine that we and/or the Center was liable for the injury or loss.

YOU MAY OBTAIN A LIMITATION OF LIABILITY. If you wish, you may obtain from us a higher limitation of our liability for an additional periodic service charge based on a graduated scale of rates. If you elect this option, we will send you a rider to this Agreement which will set forth the amount of the limitation of liability and the amount of the additional charge. Agreeing to the higher limitation of liability does not mean that we are an insurer. If you have any questions about this limitation of liability or other terms of this agreement, please call our office at 1-800-367-6722.

3. THIRD PARTY INDEMNIFICATION AND SUBROGATION: If anyone other than you, asks us to pay for any harm or damages (including property damage, personal injury or death) connected with or resulting from (i) a breach of this Agreement, (ii) a failure of the System or services, (iii) any other improper or careless activity of ORCA in providing the System or services or (iv) a claim for indemnification or contribution, you will pay us (a) any amount which a court orders us to pay or which we reasonably agree to pay, and (b) the amount of our reasonable attorney's fees and any other loss and costs that we may pay in connection with the harm or damages. Unless prohibited by your property insurance policy, you agree to release us from any claims of any parties suing through your authority or in your name, such as your insurance company, and you agree to defend us against any such claim.

4. MONITORING SERVICES: When a panic and/or burglary signal from the System is received at the Center, it will try to telephone both the emergency police response number you provided (if applicable) and the first available person you indicated on the emergency contact list. To avoid false alarms, the Center will call your premises first to determine if an actual emergency exists before the Center calls any authorities. If the Center has reason to believe that no actual emergency exists, it may choose not to place such calls. **YOU UNDERSTAND THAT THE CENTER MAY BE NEGLIGENT IN PROVIDING THE SERVICE, AND MAY FAIL TO PROPERLY RESPOND TO THE RECEIPT OF A PANIC AND/OR ALARM SIGNAL FROM THE SYSTEM, OR THAT THE SYSTEM MAY FAIL TO FUNCTION PROPERLY.** You consent to the tape recording of all telecommunications between your premises and our office and the Center. We may discontinue any particular form of response if required to do so by any governmental authority or insurance interest. Please read your Owner's manual which describes the proper use of the System.

5. SIGNAL TRANSMISSION: The System includes a communication device that sends signals to the Center over your regular telephone service. You may connect this System to any standard telephone jack, but the System may not have priority over other telephones in your premises, and if another phone is being used when the System is activated it may not be able to transmit signals to the Center. **WHEN THE SYSTEM IS ACTIVATED YOU MIGHT BE UNABLE TO USE YOUR TELEPHONE TO MAKE OTHER CALLS SUCH AS EMERGENCY CALLS TO THE 911 OPERATOR. THEREFORE, YOU MAY WISH TO HAVE THE SYSTEM CONNECTED TO A SEPARATE TELEPHONE LINE DEDICATED SOLELY TO THE SYSTEM.** You will pay for all telephone charges including any installation fee charged by the telephone company for a special jack connecting the System to your telephone service. If your telephone is out of order, placed on vacation status, or otherwise not working, signals cannot be transmitted and we, and/or the Center, will not know of the telephone service problem.

6. FALSE ALARMS: You agree that you and others using the System, will use it carefully so as to avoid causing false alarms. False alarms can be caused by your misuse of the System or other reasons beyond our control. If we receive too many false alarms or members of your household deliberately set off alarm signals, we may cancel all services. If a false alarm fine or penalty is charged to you, the Center, or ORCA, by any governmental agency, you will pay the charge or repay the Center or us for the charge as the case may be. **DELIBERATELY ACTIVATING A FALSE ALARM WHICH RESULTS IN THE DISPATCH OF POLICE, FIRE OR OTHER PUBLIC PERSONNEL MAY BE A CRIME.**

7. CUSTOMER'S DUTIES: You will instruct all persons who may use the System on its proper use. You will test the System as set forth in the Owner's manual. The System can detect motion using infrared technology if motion sensors are added. Therefore you will turn off, control, or remove all things such as air conditioning and heating systems and pets that might interfere with the System when it is turned on. If a problem in the System occurs you will notify us immediately. You will obtain and keep in effect all permits or licenses that may be required for the installation, operation, and monitoring of the System. You will pay all usage fees or other assessments imposed by any governmental agency. If local and state taxes are applicable in your area, you will be billed accordingly. You will complete and return this Agreement, including the name and telephone number of each person we may call in the event we believe there is an emergency at your premises, and other information we may request. You will notify us in writing of any changes in the information on this Agreement. You agree that we may provide the information on your Agreement to any governmental authority having jurisdiction over us or the System. **THE SYSTEM INCLUDES BATTERY BACKUP POWER. YOU WILL REPLACE THE BATTERY AS NEEDED AS SET FORTH IN THE OWNER'S MANUAL. IF YOU DO NOT REPLACE THE BATTERY AS NEEDED, THE SYSTEM MAY FAIL TO FUNCTION.** The city or county in which your premises is located may require that you obtain a permit for the use and monitoring of the System. Local authorities may not respond to alarm notifications until you have obtained, at your expense, all necessary permits or licenses and provided ORCA with a license or permit number.

8. SUSPENSION OR CANCELLATION OF THIS AGREEMENT; DELINQUENCY CHARGE: You understand that we may stop or suspend monitoring if: (a) strikes, severe weather, earthquakes, or other such events beyond our control, affect the operation of the Center or so severely damage your premises that continuing service would be impractical; (b) there is an interruption or unavailability of telephone service between the System and the Center; (c) you do not pay the monitoring charge due to us, after we have given you ten (10) days notice that we are canceling monitoring service because of non-payment; (d) we are unable to provide service because of some action or ruling by any governmental authority; or (e) or you become a debtor in a bankruptcy proceeding. We may charge a re-connection fee if service is suspended for non-payment. If service is canceled, we may without further notice, disable and disconnect the System's monitoring function at the Center. **YOU UNDERSTAND THAT THE SYSTEM IS DESIGNED TO WORK EXCLUSIVELY WITH OUR CENTER, AND WILL NOT WORK WITH EQUIPMENT USED BY OTHER ALARM COMPANIES OR OTHER MONITORING CENTERS.**

9. ASSIGNEES AND SUBCONTRACTORS: We may transfer or assign this Agreement to any other alarm company. You may not transfer this Agreement to someone else (including someone who purchases or rents your premises) unless we approve the transfer in writing. We may use subcontractors (including the Center) to provide monitoring. This Agreement, and particularly sections 2 and 3, shall apply to our subcontractors and the services they provide, and shall apply to and protect our subcontractors in the same manner as it applies to and protects us.

10. LIMITATION ON LAWSUITS; WAIVER OF JURY TRIAL: Both parties agree that no law suit or any other legal proceeding connected with this Agreement shall be brought or filed more than one (1) year after the incident giving rise to the claim occurred. In addition, any such legal proceeding shall not be heard before a jury. Each party gives up any right to a jury trial.

11. CHANGES TO THE SYSTEM: If you or any governmental agency or insurance interest wants us to change the System described herein, or change it after it is installed, you agree that you have chosen this system and you understand that additional or different protection is available for a higher price.

12. INCREASE IN SERVICE FEE: You acknowledge that the services fee is based upon existing federal, state and local taxes. We shall have the right, at any time, to increase the services fee to reflect any additional or increased taxes, licenses, permits, fees or charges which may be charged to us by any utility or governmental agency relating to the installation of the system or the monitoring service and you agree to pay the same.

13. FINANCIAL DISCLOSURE STATEMENT: Itemization of amount financed and total amount for original term is the monthly service fee times the number of months indicated in Box 5 of the first page of this Agreement, plus applicable sales and use taxes. There is no finance charge (APR 0%) or cost of credit associated with this Agreement and the services fee. Therefore, the total amount is the cash price, the total sales price, the total amount financed (cost of credit) and the total amount of payments you will make during the term of this agreement. **Late Charges:** ORCA may impose a late charge on each payment that is more than ten (10) days past due, or ten percent (10%) of the delinquency or the maximum amount permitted by law, whichever is less. Prepayment: If you prepay the total of payments prior to the end of the original term of this Agreement, there is no penalty or refund. **Additional notice:** Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

14. ENTIRE AGREEMENT: This Agreement, as written, is the only and entire Agreement between you and us. It may only be changed by a written Agreement signed by you and us. **IT MAY NOT BE AMENDED OR MODIFIED BY ANY ORAL STATEMENTS MADE BY THE CENTER OR OUR PERSONNEL.** If any provision of this Agreement is found to be invalid or illegal by a court, the balance of the Agreement shall remain effective and in force.

SIGNATURE

Please read Section 2 carefully as it limits ORCA's liability.

*Print Your Name Here*_____
*Signature*_____
Date