Midco SmartHOME™



TERMS AND CONDITIONS APPLICABLE TO CONTROL SECURITY SYSTEM SERVICE

TERMS AND CONDITIONS FOR HOME SERVICES AND CONTROL Midcontinent Communications® ("we", "us", "our", "Midco®" or the "Company") will provide you ("you", "your", or the "Customer") with the system and any related accessories ordered /purchased by you (collectively, the "System"), along with any related home control and self-monitoring services (collectively, the "Services") for the location identified (the "Premises") in the account information you provided during Account setup in accordance with the terms of this Services Agreement ("Agreement"). The Services may be provided to you directly by the Company, through any affiliate of the Company, and/or by any third party acting on behalf of the Company. For purposes of this Agreement, an "affiliate" means any entity that controls, is controlled by or is under common control with Midco.

GENERAL TERMS AND CONDITIONS

- 1. Acceptance of this Agreement; Term
 - a) You will have accepted this Agreement and be bound by its terms upon the earlier of (i) your acknowledgement or acceptance of this Agreement electronically, or (ii) your use of the Services. Additionally, Customer specifically agrees as follows:
 - Customer agrees to conduct this transaction by electronic means.
 - Customer will receive an electronic record of confirmation of this complete transaction.
 - Customer has the ability to make a copy (print) of the electronic records setting forth the details of the transaction.
 - Customer agrees, to the extent allowed by law, that all communications and transmissions required by law are satisfied by electronic record.
 - Customer represents to Company that, in fact, the person the Customer represents himself/herself to be. Customer hereby certifies that Customer is the person listed above and has full legal authority to conduct this electronic transaction.
 - Customer agrees that he/she understands that he/she is free to refuse to participate in an electronic transaction.
 - b) Customer represents to Company that the email address Customer is using will be available for receiving electronic records from the Company in reference to this transaction. This Agreement shall be effective as of your acceptance and shall continue on a month-to-month basis until terminated by either party in accordance with the terms hereof. The System requires you to perform installation of components and hardware for use of the Services. Service charges will begin on the day of installation and Activation of the "Hub"
 - c) YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THE TERMS OF THIS AGREEMENT, ESPECIALLY THOSE PARAGRAPHS RELATING TO YOUR INDEMNIFICATION OF THE COMPANY AND

ITS AFFILIATES, AND ITS AND THEIR AGENTS, REPRESENTATIVES, SUPPLIERS, SERVICE PROVIDERS, CONTRACTORS AND SUBCONTRACTORS ("COMPANY RELATED PARTIES"), THE COMPANY'S AND THE COMPANY RELATED PARTIES' LIMITED LIABILITY, AND THE COMPANY'S WARRANTY.

- 2. System; Access to the Services
 - a) The System. YOU ACKNOWLEDGE AND UNDERSTAND THAT THE SYSTEM IS NOT A HOME SECURITY SYSTEM AND THAT THE COMPANY WILL NOT MONITOR SIGNALS FROM THE SYSTEM AT ANY TIME. THE COMPANY DOES NOT MONITOR THE SYSTEM FOR SIGNALS AND WILL NOT DISPATCH EMERGENCY AUTHORITIES OR PROVIDE NOTIFICATION OR OTHER VERIFICATION SERVICES COMMONLY PROVIDED WITH SECURITY ALARM SYSTEMS IN CASES OF EMERGENCY. THE SYSTEM MAY NOT BE USED FOR ANY "LIFE SAFTEY PURPOSE OR EXPECTATION."
 - b) Permits. You agree to comply with all permitting requirements under applicable law with respect to the operation of the System and our provision of the Services, and to provide the Company with permit numbers and/ or such other information as we may request from time to time.
 - c) Internet Connection. YOU UNDERSTAND AND ACKNOWLEDGE THAT IT IS SOLELY YOUR RESPONSIBILITY TO MAINTAIN AT YOUR OWN COST, A HIGH-SPEED INTERNET CONNECTION WITH MIDCO.
 - d) Remote and Wireless Access. The Services may include certain remote viewing, access and control features and functionality. The ability for those features and functionality to work with the System and Services will be dependent upon a variety of factors outside the control of the Company, including, but not limited to, faulty equipment, faulty transmission systems, limitations inherent in wireless services, power outages, and other factors. The Company intends that such features and functionality will interoperate with the System and Services, but shall not be liable in the event they fail to do so. Access to the Services via wireless device is dependent upon the capabilities of your wireless device and network. The Company shall not be liable for issues arising from your access to the Services via wireless device. Your access to the Services from your wireless device is subject to your agreement with your wireless carrier.
- 3. Notification Service; Text Messaging Carriers
 - a) Notification Service. The Service is not a certified service for emergency response and may not be linked to any emergency service contact numbers. It is your responsibility to ensure that the appropriate event



messages can be relayed to you and your designated contacts. It is also your responsibility to determine the appropriate response to all events and you accept that, upon receiving a notification, you are entirely responsible for your response and that of your designated contacts. Should such a response incur costs, you accept full liability for those costs. You acknowledge that the equipment may experience signal transmission failures or delays for any number of reasons. You acknowledge that the System employs a number of measures to help reduce occurrences of false notifications (including, without limitation, the implementation of default settings and various procedures to determine when and how to respond, if at all, to certain events) and you accept our use of these measures. You acknowledge that the System has not been designed or programmed pursuant to any law, code or rule that may be applicable to your particular premises, including, but not limited to, any code provisions of the National Fire Protection Association or the International Residential Code, or National Electric Code.

b) Text Messaging – Compatible with Most Carriers. We do not provide any guarantee that messaging will operate on any carrier. See your plan with your carrier for any charges related to text messaging or data usage relating to your use of the System.

4. Billing and Duration

- a) Account Creation and Duration. Your account is created with an initial purchase. Service billing begins on the day your Hub is activated (Billing Date) and will continue for the contracted term unless and until you cancel your service or we terminate it.
- b) Billing. Services are provided to you on a contracted basis. You generally will be billed monthly, in advance, for recurring service charges, equipment charges, and fees. Your first bill may include pro-rated charges from the date you first begin receiving Services, as well as monthly recurring charges for the next month and charges for nonrecurring services you have received. You may be billed for some Services individually after they have been provided to you; these may include charges for interactive services and e-commerce. If you receive Service(s) under a promotion, after the promotional period ends regular charges for the Service(s) will apply. We automatically bill your credit card each month on the calendar day corresponding to your Billing Date. In the event your Billing Date is a day not contained in a given month, we bill your Payment Method on the last day of such month. For example, if you started your Service on January 31st, your next payment date is February 28th and your Payment Method would be billed on that date. You acknowledge that the amount billed each month may vary and you authorize us to charge your Payment Method for such varying amounts.
- 5. Changes to Service Subject to applicable law, we have the right to change the Services, Equipment and rates or charges, at any time with 30-days email notice. We also may

rearrange, delete, add to, or otherwise change programming or features or offerings contained in the Services, including, but not limited to, content, functionality, hours of availability and customer equipment requirements. Notice of a change may be provided in an e-mail, in a newspaper or other communication permitted under applicable law. If you find any material change in the Services, rates or charges, or the terms of this Agreement unacceptable, you have the right to cancel your Services within thirty (30) days of receipt of notice of such change. However, your continued receipt of the Services after such thirty (30) day period will constitute your acceptance of the change.

- Cancellation, Failure to Pay, and Breach of Terms and Conditions
 - a) Cancellation, No Refunds. If you cancel this service, your cancellation will be effective as of your date of cancelation. If you cancel after the initial 30 day period, you will be responsible for early termination fees as set forth in your agreement.
 - b) Effect on Products. Please note that cancelling your service won't affect your ownership of any products that you've purchased from us, or your obligation to pay for them, and we'll be under no obligation to accept their return, or provide any credit or refund for them.
 - c) Failure to Pay; Breach of the Terms and Conditions. If you fail to make any payment when due, or if you breach any of these Terms and Conditions, the Company may immediately disconnect your equipment from the platform and terminate your service without any notification or compensation or liability to you.
 - d) Other Termination. You agree we may terminate your Service, at our sole discretion, for actual, suspected or alleged use, abuse or misuse of Service, products or compatible products contrary to any law or regulation or right of any third party.

7. Equipment

a) Battery-Powered Devices. Most compatible devices are battery powered motion detectors, thermostats, door and window contact transmitters, and other detection sensors and are not connected to the electrical system of the Premises. Such detection sensors require batteries to operate. THESE BATTERY-POWERED DEVICES WILL NOT OPERATE IF THE BATTERIES ARE LOW OR DEAD. You are responsible for maintaining and replacing the batteries in these battery-powered devices and you should regularly inspect such devices for dirt and dust buildup and test them weekly to help maintain continued operation. THE COMPANY STRONGLY RECOMMENDS THAT YOU 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 INFORMATION. YOU SHOULD ALSO READ ALL INSTRUCTIONS,



- WARNINGS AND OTHER INFORMATION ON THE EQUIPMENT ITSELF.
- b) Hub Devices. The System includes a Hub Device ("Hub") which MUST BE CONNECTED TO AN "ALWAYS ON" INTERNET CONNECTION TO PROVIDE PROPER OPERATION AND REMOTE CONTROL FUNITONALITY OF THE SYSTEM. The Company may remotely activate or disable any feature or application on the Hub with or without notice to you. You agree to pay all charges assessed with respect to the downloading, license or use of any feature or application with the Hub.

8. Warranties

- a) Warranties. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, COMPANY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS TO SERVICE, INCLUDING DIRECTORY SERVICES, OR RELATED EQUIPMENT. TO THE EXTENT PERMITTED BY THE MANUFACTURER, COMPANY HEREBY ASSIGNS TO YOU ANY MANUFACTURER'S WARRANTIES FOR YOUR EQUIPMENT. YOUR SOLE AND EXCLUSIVE REMEDY FOR CLAIMS RELATED TO YOUR EQUIPMENT SHALL BE AGAINST THE MANUFACTURER.
- b) No Warranty or Representation Other than stated in Paragraph 9(a) above, Company does not represent or warrant that the system may not be compromised or circumvented or that the system will prevent any personal injury, loss of life, or property loss or damage or that the system will in all cases provide the notification which is intended, and the Customer has not relied upon any such representation or warranty. The Customer acknowledges that any affirmation of fact or promise made by the Company or its agents, servants or employees, shall not be deemed to create an express warranty unless included in this Agreement in writing. THE COMPANY, ON BEHALF OF ITSELF AND ITS DIRECT AND INDIRECT SUPPLIERS. EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES WHETHER EXPRESS OR IMPLIED. INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE COMPANY AND ITS DIRECT AND INDIRECT SUPPLIERS MAKE NO REPRESENTATION THAT THE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE.
- 9. "Limitation of Technology." Customer understands and agrees that the service rendered under this agreement relies on broadband (Internet). Inherent in this system is a failure when the Customer's broadband (Internet) has an interruption in service. In this event, the system dependent on the Customer's service will likewise be interrupted. Customer also understands and agrees that broadband (internet) at Customer's location may be wireless and is dependent on what is commonly called wireless local area network. Anytime Customer's wireless local area network is non-operational, the broadband (Internet) portion of the security system will

- likewise be non-operational. This acknowledgement applies to every term and condition of this agreement as if repeated in each term and conditions.
- 10. Delays and Failures. The Company assumes no liability for delays in equipment installation, interruption of services due to strikes, riots, floods, fires, acts of God, mechanical or electrical equipment failures or any cause beyond the control of the Company. The Company may terminate this Agreement if it cannot maintain transmission privileges and shall not be liable for any damages or penalties as a result of such termination. The Company may also cancel this Agreement, without previous notice, in the event Company's ability to provide service is lost by a catastrophe and it is impracticable to continue or restore service.
- 11. Release From Liability and Waiver of Subrogation Customer hereby waives, releases, discharges and agrees to hold the Company, its directors, officers, employees, agents and assigns harmless from any and all claims, liabilities, damages, losses or expenses arising from or caused by any hazard covered by insurance whether said claim is made by Customer or by any other party claiming under or through Customer, including any insurer, by way of subrogation or otherwise.
- 12. Indemnification from Third-Party Action. In the event any person not a party to this Agreement, including Customer's insurance company, shall make any claim or file any lawsuit against the Company, its officers, employees, agents or assigns ("Indemnities") for any reason whatsoever, including, but not limited to, the installation, maintenance, operation or non-operation of the system, Customer agrees to indemnify, defend and hold the Indemnities harmless to the maximum extent allowed by law from any and all claims and lawsuits including the payment of all damages, expenses, costs and attorney's fees whether these claims and lawsuits are based on alleged intentional conduct, active or passive negligence or strict or product liability on the part of the Company's officers, employees, agents or assigns.
- 13. Limitation of Company's Liability. It is understood that the Company is not an insurer of person, life, limb or property and that insurance covering personal injury, life and property loss shall be obtained by the Customer. The Company is not assuming responsibility for any personal injury, loss of life, or property loss or damage which may occur even if due to Company's negligent performance or which may arise due to the faulty operation of the system, the failure of services or the failure to perform said services. The Company and Customer hereby agree that if, notwithstanding the above provisions, there should arise any liability whatsoever on the part of the Company's directors, officers, employees, agents or assigns, it is agreed that such liability shall be limited to two hundered fifty dollars (\$250). This sum shall be complete and exclusive, and shall be paid and received as an exclusive remedy and not as a penalty. In accepting these Terms and Conditions, you are acknowledging that the sole purpose of the Service is to provide a personal monitoring and control service for your property. We accept no liability for the failure of the system and you should not use the system in



applications where any such failure could result in hazard, damage or losses of any description. You acknowledge that we are not insuring you against any losses that may result from any failure of the Services.

- 14. Third-Party Equipment and Services. Limitations of Liability. At its sole discretion, the Company may assign, subcontract, purchase or otherwise arrange other services called for under this Agreement to be provided by a third party. Customer agrees and acknowledges that such third-party provider or providers of other services are not insurers. Customer also agrees the provisions for RELEASE FROM LIABILITY AND WAIVER OF SUBROGATION, INDEMNIFICATION FROM THIRD-PARTY ACTION and LIMITATION OF COMPANY'S LIABILITY in Paragraphs 13, 14 and 15 of this document shall apply for the benefit of such third parties, their directors, officers, employees and agents as fully as if they had been specifically named herein in place of "The Company" throughout. UNDER NO CIRCUMSTANCES WILL THE COMPANY'S DIRECT OR INDIRECT SUPPLIERS HAVE ANY LIABILITY TO CUSTOMER.
- 15. Jurisdiction and Arbitration. Parties agree this Agreement, in all respects, shall be governed and construed solely under the jurisdiction and laws of the state where the services are installed and activated.
- 16. Complete Agreement. This Agreement is the complete, final and exclusive statement of the terms of the agreement between the parties, and supersedes any and all other prior and contemporaneous negotiations and agreements, whether oral or written, between them relating to the subject matter hereof. These terms and conditions control and take precedent over any purchase order, service order, or other writings leading to this agreement. No amendment to this agreement is effective unless in writing and signed by the parties.
- 17. Assignment. It is specifically agreed that the customer shall not be permitted to assign this Agreement without prior written consent of the Company, and any assignment without such consent shall be without effect and shall be deemed a breach of this Agreement. The Company shall have the right to assign this Agreement to any other company engaged in a business similar to that of the Company, and upon such assignment, shall be relieved of any obligations created herein.
- 18. Software Restrictions. Customer agrees to not (i) decompile or reverse engineer the Touchstone software or take any other action to discover the source code or underlying ideas or algorithm of any components thereof, (ii) copy the Licensed Software, (iii) post, publish or create derivative works based on the Licensed Software, or (iv) remove any copyright notice, trade or service marks, brand names and the like from the Licensed Software, related documentation or packaging.
- Full Agreement Severability. This Agreement constitutes the full understanding by and between the parties hereto, and may not be amended or modified except in writing

and signed by both parties. If any provision or part of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect as if such invalid or unenforceable provision had never appeared herein.

- 20. Lawful Use of the Service. Use of the Equipment or Services for transmission, communications or storage of any information, data or material in violation of any U.S. federal, state or local regulation or law is prohibited. You agree not to use, or allow others to use, the Services for surreptitious surveillance purposes, or any other purpose that may impact the privacy rights of others, in violation of applicable law. You understand and agree that your use of the Services is at your own risk and that you are subject to all applicable laws and regulations, including without limitation, any state or federal wiretapping, eavesdropping, privacy, child pornography, or similar laws. You agree that Company may report any unlawful use to appropriate authorities without any notice to you and without any liability to you.
- 21. Privacy Notice. The Company respects your concerns about privacy. This Privacy Notice applies to personal information we collect on the System. The term "Site" refers to the areas of the Company that are covered by this Privacy Notice.

This Privacy Notice describes the types of personal information we collect on the Site, how we may use that information and with whom we may share it. The Privacy Notice also describes the measures we take to protect the security of the personal information. We also tell you how you can reach us to ask us to update your preferences regarding how we communicate with you or answer any questions you may have about our privacy practices.

Neither Company nor its suppliers is liable to you for any lack of privacy you experience while using the Service. You hereby consent to Company's disclosure of account information and the making of changes to the account to any person authorized on your account who is authenticated. Company may also disclose information about your account to any carrier providing a service in relationship to Service. You acknowledge that you have received notice of your rights under Section 222 of the Communications Act.