

VIRGINIA:

IN THE CIRCUIT COURT FOR THE CITY OF NEWPORT NEWS

COMMONWEALTH OF VIRGINIA,)	
<i>EX REL. MARK R. HERRING,</i>)	
ATTORNEY GENERAL,)	
)	
Plaintiff,)	
)	
v.)	CIVIL ACTION NO. _____
)	
TRIO ALARM, LLC,)	
a Wisconsin limited liability company,)	
)	
)	
Defendant.)	
)	

COMPLAINT

The Plaintiff, Commonwealth of Virginia, by, through and at the relation of the Attorney General of Virginia, Mark R. Herring (the "Plaintiff" or the "Commonwealth"), petitions this Court to declare that the activities in which the Defendant, Trio Alarm, LLC ("Trio Alarm" or the "Defendant"), has engaged constitute violations of the Virginia Consumer Protection Act ("VCPA"), Virginia Code §§ 59.1-196 to 59.1-207, and Virginia's "bait and switch" statute, Virginia Code § 18.2-217(a). The Plaintiff prays that this Court grant the relief requested in this Complaint and states the following in support thereof:

JURISDICTION AND VENUE

1. The Commonwealth brings this VCPA action pursuant to the authority set forth in § 59.1-203 of the VCPA, which provides, *inter alia*, that the Attorney General may bring an action to enjoin any violation of the VCPA.

2. The Circuit Court for the City of Newport News has authority to entertain this action and to grant the relief requested herein pursuant to Virginia Code §§ 8.01-620, 17.1-513, 59.1-203, 59.1-205 and 59.1-206.

3. Venue is proper in this Court with regard to this VCPA action pursuant to Virginia Code § 8.01-262 because the Defendant maintains an agent to receive process in the City of Newport News, because the Defendant regularly conducts substantial business activity in the City of Newport News, and because portions of the causes of action arose in the City of Newport News. Venue is preferred in this Court pursuant to Virginia Code § 8.01-261(15)(c) because some or all of the acts to be enjoined are, or were, being done in the City of Newport News.

4. In accordance with Virginia Code § 59.1-203(B), prior to the commencement of this action, the Plaintiff gave the Defendant written notice these proceedings were contemplated and a reasonable opportunity to appear before the Office of the Attorney General to demonstrate that no violations of the VCPA had occurred, or to execute an appropriate Assurance of Voluntary Compliance. The Defendant agreed to execute an Assurance of Voluntary Compliance that was acceptable to the Commonwealth.

PARTIES

5. The Plaintiff is the Commonwealth of Virginia, by, through, and at the relation of Mark R. Herring, Attorney General of Virginia.

6. The Defendant, Trio Alarm, LLC, is a Wisconsin limited liability company. Its principal office is located at 7027 Oak Road, Vesper, Wisconsin 54489. At all relevant times, the Defendant maintained a physical presence in the City of Newport News. The Defendant was issued a Certificate of Authority to Transact Business in the Commonwealth by the Virginia State Corporation Commission on December 12, 2010, and has transacted business in the Commonwealth since that date (the "Relevant Period").

FACTS

7. Trio Alarm advertises, offers for sale, and sells home security alarm system equipment, long-term home security alarm monitoring contracts, and other goods and services to consumers in the Commonwealth of Virginia and nationwide.

8. Trio Alarm advertises its goods and services to consumers nationwide via the Internet website www.trioalarm.net. Trio Alarm also solicits sales of its goods and services through unsolicited sales call visits to Virginia consumers' homes.

9. With regard to Trio Alarm's home solicitation sales, it targets, at least in part, consumers who are at the time customers of competing home security alarm companies. Upon information and belief, Trio Alarm selects many of its prospective customers by identifying yard signs for competing home security alarm companies on consumers' properties.

10. To solicit business from consumers in its door-to-door sales, Trio Alarm makes various representations to induce consumers into purchasing equipment from, and/or entering into long-term security monitoring contracts with, Trio Alarm. The representations made by Trio Alarm give consumers the impression that Trio Alarm is, or is affiliated with, the consumers' current home security alarm company, when Trio Alarm, in fact, is not. Such representations include, but are not limited to:

- a. The Trio Alarm representative is there to provide the consumer with a free upgrade or update to their current home security alarm system.
- b. Trio Alarm purchased their current home security alarm system contract.
- c. The Trio Alarm representative works for the manufacturer of their current home security alarm equipment.
- d. That the consumer is being switched to Trio Alarm for service, but that the consumer would later resume payment through their current contract with their current home security alarm company.

Trio Alarm often makes these representations without disclosing that Trio Alarm has no affiliation whatsoever with the consumer's current home security alarm company.

11. During its unsolicited home sales calls, Trio Alarm also makes representations regarding the status of prospective customers' contracts with their current home security alarm companies that lead the consumers to believe that their current contract has expired, when there is

no basis for that representation. Often, that representation turns out to be false, and the consumer is, in fact, still under contract and financial obligation with their current home security alarm company.

12. Once a consumer agrees to purchase goods or services from Trio Alarm during a home sales call, the Trio Alarm representative provides a form letter to, or dictates a form letter for, the consumer to send to their current home security alarm company. Trio Alarm represents or implies that the form letter is sufficient to terminate the consumer's current contract with their original home security alarm company. In reality, while the letter may be sufficient to cease monitoring on their original contract, the consumer remains contractually obligated to make all payments to their original home security alarm company for the duration of their contract.

13. Though Trio Alarm in many cases represents that it is providing consumers with a free upgrade to their current alarm equipment, the reality is that consumers are obligated to enter into long-term monitoring agreements with Trio Alarm that range from three to five years, and require consumers to make monthly payments to Trio Alarm ranging from \$40.00 to \$50.00. True and accurate copies of Trio Alarm's form Alarm Monitoring Agreement, and its form Schedule of Protection, are attached, respectively, as Exhibits A and B.

14. Once the consumer signs the agreement, Trio Alarm removes the consumers' old alarm monitoring equipment and installs new equipment compatible with Trio Alarm's monitoring service. Consumers in some cases remain obligated under two monitoring contracts, and, in some cases, Trio Alarm offers the consumer an expensive buyout fee to terminate the consumer's contract with Trio Alarm.

15. Trio also represented to all or some of its customers that, in the event of a move to a new home, they will have the ability to move their alarm system and service to their new home free of charge, or that the customer will have the ability to cancel their contract with Trio Alarm in the event of a move. In some cases, Trio Alarm failed to follow through on these promises.

CAUSES OF ACTION

COUNT I – VIRGINIA CONSUMER PROTECTION ACT

16. The Plaintiff re-alleges and incorporates herein by reference all matters set forth in Paragraphs 1 through 15 above.

17. The Defendant is now, and was at all relevant times mentioned herein, a “supplier” of “goods” or “services” in connection with “consumer transactions,” as those terms are defined in § 59.1-198 of the VCPA.

18. By offering for sale, and advertising for sale, home security systems and accompanying equipment, the Defendant has and does engage in “consumer transactions,” as defined in § 59.1-198 of the VCPA.

19. During the Relevant Period, by falsely stating or implying that they were, or were affiliated with, the consumers’ current alarm company; by falsely representing that consumers’ contracts with their current alarm companies were expired, or that the consumers had the ability to cancel their contracts with their current alarm companies; by falsely offering “free” upgrades to the consumers’ current home security systems, when they required consumers to enter into long-term contracts for home security alarm monitoring services with a new alarm company to receive the “upgraded” equipment; and by falsely representing that consumers had the ability to move their alarm service to a new home free of charge, or that they could cancel their contract in the event of a move, the Defendant has engaged, and continues to engage, in the following acts and practices, which are prohibited practices under the VCPA:

- a. misrepresenting goods or services as those of another, in violation of Virginia Code § 59.1-200(A)(1);
- b. misrepresenting the affiliation, connection, or the association of the supplier, or of the goods or services, with another, in violation of Virginia Code § 59.1-200(A)(3);

c. misrepresenting that goods or services have certain qualities, characteristics, ingredients, uses or benefits, in violation of Virginia Code § 59.1-200(A)(5);

d. advertising goods or services with intent not to sell them as advertised, or with intent not to sell at the price or upon the terms advertised, in violation of Virginia Code § 59.1-200(A)(8); and

e. using any other deception, fraud, false pretense, false promise, or misrepresentation in connection with a consumer transaction, in violation of Virginia Code § 59.1-200(A)(14).

20. Individual consumers have suffered losses as a result of the aforesaid violations of the VCPA by the Defendant.

21. The Defendant willfully did the acts described herein in violation of § 59.1-200(A)(1), (3), (5), (8) and (14) of the VCPA.

COUNT II – BAIT AND SWITCH STATUTE

22. The Commonwealth re-alleges and incorporates by reference the allegations of paragraphs 1 through 21 above.

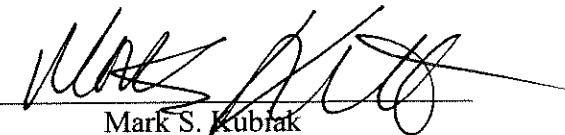
23. By falsely offering “free” upgrades to consumers’ home security alarm systems, when it required consumers to enter into long-term contracts for home security alarm monitoring services with a third-party company to receive the “upgraded” equipment, the Defendant violated Virginia Code § 18.2-217(a).

24. The Attorney General has authority to bring an action to enjoin any violation of Chapter 6, Article 8 of Title 18.2 of the Code of Virginia, including, but not limited to, violations of Virginia Code § 18.2-217(a), pursuant to Virginia Code § 59.1-68.2.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff, Commonwealth of Virginia, prays that this Court enter the Order Approving and Adopting Assurance of Voluntary Compliance filed herewith.

COMMONWEALTH OF VIRGINIA,
EX. REL. MARK R. HERRING,
ATTORNEY GENERAL

By: 
Mark S. Kubiak

Mark R. Herring
Attorney General

Cynthia E. Hudson
Chief Deputy Attorney General

Rhodes B. Ritenour
Deputy Attorney General

David B. Irvin
Chief and Senior Assistant Attorney General

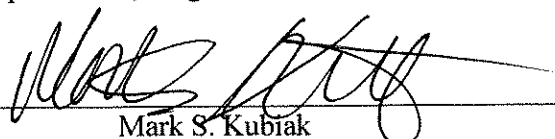
Mark S. Kubiak (VSB No. 73119)
Assistant Attorney General

Tyler T. Henry (VSB No. 87621)
Public Service Fellow

Consumer Protection Section
900 East Main Street
Richmond, Virginia 23219
Phone: (804) 786-7364
Fax: (804) 786-0122

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of June, 2015, a true copy of the foregoing Complaint was mailed, postage prepaid, to Stephen A. Dunnigan, Esquire, Dunnigan & Messier, 11101 Warwick Blvd, Suite A, Newport News, Virginia 23601, counsel for Defendant Trio Alarm, LLC.


Mark S. Kubiak

TRIO ALARM LLC

803 J Clyde Morris Blvd Suite 8
(Address 2)
NEWPORT NEWS, VA 23601
8886298610, 8004478239
WWW.TRIOALARM.COM
License: (VA)11-8533;(OH)2075221;(WI)T052008;



Alarm Monitoring Agreement

Owner of Home or Business First Name: [REDACTED] Last Name: [REDACTED] Spouse/Resident: [REDACTED] Name of Business: [REDACTED]		Effective Date 12/10/13
Premises Address Street: [REDACTED] City: [REDACTED] State: VA Zip +4: [REDACTED] Street: [REDACTED] City: [REDACTED] State: [REDACTED] Zip +4: [REDACTED]		Social Security Homeowner / Business Owner: [REDACTED] Spouse / Resident: [REDACTED] Residential Service Plan Option: \$50.00 Deductible (See Section 15) Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Phone Home / Business Owner: [REDACTED] Spouse / Resident: [REDACTED]		
Monthly Monitoring Service Fees Monthly Monitoring Rate: \$42.99 Other: \$ Total Monthly Fee: \$42.99	One Time Monitoring Activation Fee \$: 0	By installing cellular communication below, customer acknowledges receiving appropriate terms and conditions. Alarm.Com AlarmNET Cellular
Checking Account (No Savings Account) Account Number: [REDACTED] ABA Routing Number: [REDACTED]	Monthly Auto Payment Enrollment Card Number: [REDACTED] Expiration Date: [REDACTED] Via <input type="checkbox"/> MC <input type="checkbox"/>	

This agreement is made by and between TRIO ALARM LLC (the "Company") and the owner of the home or business shown above (the "Customer") on the effective date indicated above. The Company agrees to provide, or cause to be provided, the alarm monitoring services for the alarm system (the "System") installed at the residence or business address indicated above (the "Premises").

1. **THE SERVICE:** Upon receipt of an alarm signal from the Customer Premises, Company is responsible only for attempting to notify, as appropriate to the type of signal, the Customer, persons submitted to Company on Customer's contact list, a guard service, and/or the appropriate responding agency. For burglary signals, Company will attempt to verify that an emergency exists by calling the Customer's primary contact number and then, if necessary, the person designated for enhanced verification on the Customer's contact list. If a contacted person indicates that there is an emergency or if no contact is made with either person, Company will attempt to contact the appropriate responding agency. For non-emergency signals like low battery and trouble, Company will only attempt to contact Customer between 7:00 a.m. and 10:00 p.m. Company and Customer must comply with local notification and response requirements, which may now or in the future include visual verification of an emergency condition prior to response. Customer agrees to pay any charge associated with this requirement.

2. **DISCLAIMER OF WARRANTIES:** NEITHER COMPANY NOR ITS CONTRACTOR REPRESENTS OR WARRANTS THAT THE SYSTEM OR THE MONITORING SERVICES WILL PREVENT ANY LOSS BY BURGLARY, FIRE, ROBBERY OR OTHERWISE, OR WILL, IN ALL CASES, PROVIDE THE SPECIFIED NOTIFICATION SERVICE. Customer understands that there are no warranties which extend beyond the face of this Agreement and acknowledges that neither Company nor its contractor has made any representation or warranty, express or implied, including without limitation, about the condition of the System or monitoring service, their merchantability, or their fitness for any particular purpose, other than those expressly contained in this Agreement. Customer understands and acknowledges that the System, Transmission System (See Section 6), or Company's or its contractor's equipment may not function properly; that the Company or its contractor may not respond properly to the receipt of an alarm signal; and that neither Company nor its contractor has control over the response time or capability of any agency or person notified. CUSTOMER ALSO UNDERSTANDS THAT IN THE EVENT THAT THE COMPANY IS DETERMINED TO BE DIRECTLY OR INDIRECTLY LIABLE FOR ANY LOSS, DAMAGE, OR INJURY THAT THE \$1,000 LIMIT OF LIABILITY IN SECTION 5 APPLIES.

3. **SERVICE FEES AND TERM OF AGREEMENT:** This Agreement shall continue for an initial term of five (5) years (the "Initial Term") unless earlier terminated pursuant to the provisions hereof, and shall thereafter automatically renew on a month-to-month basis. After the Initial Term, Customer may cancel this Agreement with 30 days notice by sending a signed request for cancellation to Company which includes Customer's name, address, account number and password. Customer agrees to pay the total monthly fee above plus all applicable taxes, permit fees, false alarm charges, communication charges, return check charges, guard charges, service charges, late charges, or other related charges, if applicable, whether imposed on Company or Customer. Company may increase Total Monthly Fee up to five (5)% annually during this initial or any renewal term without prior notice. There is a twenty five dollar (\$25.00) charge on each returned check.

FINANCIAL DISCLOSURE STATEMENT

THERE IS NO FINANCE CHARGE OR COST OF CREDIT (0% APR) ASSOCIATED WITH THIS AGREEMENT

A. Number of Payments for the Initial Term is 60	B. Amount of Each Payment is \$42.99 (Total Monthly Fee from above)
Late Charge - Company may impose a late charge of up to \$5 on each payment that is more than ten (10) days past due.	

Total of Payments for the Initial Term is \$ 2,579.4 (A x B) (Plus applicable levies, charges, taxes, fees, fines, and rate increases)

Prepayment - if you prepay amounts due under this agreement there is no penalty or refund. See Section 7 of this Agreement for information about nonpayment, default, and liquidated damages.

CUSTOMER RESPONSIBILITY TO READ AGREEMENT: CUSTOMER ACKNOWLEDGES RECEIPT OF A COMPLETE COPY OF THIS AGREEMENT AND TWO COPIES OF THE NOTICE OF CANCELLATION FORM AND HAS READ AND UNDERSTOOD ALL TERMS AND CONDITIONS INCLUDING THOSE CONTAINED ON THE REVERSE SIDE AND INCORPORATED BY REFERENCE HEREIN. THESE TERMS AND CONDITIONS INCLUDE A DISCLAIMER OF WARRANTIES IN SECTION 2, A ONE THOUSAND DOLLAR (\$1,000) LIMITATION OF LIABILITY IN SECTION 5, A LIST OF CUSTOMER'S DUTIES IN SECTION 6, TRANSMISSION SYSTEMS IN SECTION 8, AN ARBITRATION CLAUSE IN SECTION 13, AND AN AUTHORIZATION TO OBTAIN A CONSUMER CREDIT REPORT IN SECTION 17. CUSTOMER AUTHORIZES PAYMENT OF ALL AMOUNTS DUE TO COMPANY BY THE METHOD SPECIFIED ABOVE. **RIGHT TO CANCEL:** YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY FROM THE DATE OF THIS TRANSACTION. PLEASE SEE ATTACHED NOTICE OF CANCELLATION FOR AN EXPLANATION OF YOUR RIGHTS TO CANCEL THIS AGREEMENT.

4. BILLING LATE CHARGES/ RETURN CHECK FEES: In the event any Late Charges or Return Check Charges are held to be in excess of the highest lawful amount, such charges shall be reduced to the highest lawful amount, and any excess charges will be promptly refunded or credited to Customer's account. Auto-pay and credit card payment Customers will not receive a billing statement.

5. COMPANY IS NOT AN INSURER AND LIMITATION OF LIABILITY; CUSTOMER ACKNOWLEDGES AND AGREES THAT NEITHER COMPANY NOR ITS CONTRACTOR IS AN INSURER; THAT CUSTOMER ASSUMES ALL RISK OF PERSONAL INJURY AND LOSS OR DAMAGE TO CUSTOMER'S PREMISES OR TO THE CONTENTS THEREOF. Customer further acknowledges and agrees that if any insurance is desired, Customer must obtain it. In addition to the Company's other rights at law or under this Agreement, the Customer specifically releases the Company and its contractor from any liability for any event or condition covered by the Customer's insurance. **CUSTOMER UNDERSTANDS AND AGREES THAT IF COMPANY OR ITS CONTRACTOR SHOULD BE FOUND LIABLE FOR LOSS OR DAMAGE DUE TO COMPANY'S OR ITS CONTRACTOR'S NEGLIGENCE, FAILURE TO PERFORM ANY OF THE OBLIGATIONS HEREIN, OR FAILURE OF THE MONITORING SERVICE OR THE EQUIPMENT IN ANY RESPECT WHATSOEVER, COMPANY'S AND ITS CONTRACTOR'S LIABILITY SHALL BE LIMITED TO THE SUM OF ONE THOUSAND DOLLARS (\$1,000) AND THIS LIABILITY SHALL BE COMPANY'S OR ITS CONTRACTOR'S SOLE AND EXCLUSIVE LIABILITY.** If Customer wishes Company or its contractor to assume a greater liability, Customer may obtain from Company a higher limitation of liability by paying an additional periodic service charge to Company. If Customer elects to exercise this option, a rider shall be attached to this Agreement setting forth the terms, conditions and the amount of the liability and the additional periodic charge. Such rider and additional obligation shall in no way be interpreted to hold Company or its contractor as an insurer.

6. CUSTOMER'S DUTIES: Customer shall maintain the System in good operating condition and shall secure and maintain all licenses or permits that may be necessary from governmental authorities for the continued monitoring and use of the System. **THE CUSTOMER IS RESPONSIBLE FOR TESTING THE SYSTEM MONTHLY AND ANYTIME THERE IS A CHANGE TO ANY ASPECT OF THE TRANSMISSION SYSTEM (SEE SECTION 8). THE CUSTOMER MUST NOTIFY COMPANY OR ITS CONTRACTOR PROMPTLY IF CUSTOMER BELIEVES THERE IS A PROBLEM.** Customer agrees to provide Company and its contractor with written notice of any changes, revisions and modifications to the Transmission System, and further agrees to provide and maintain current and correct subscriber and emergency contact information with Company and contractor.

7. DEFAULT, DISCONNECTION AND REMEDIES: Customer will be in default and breach of this agreement if Customer 1) fails to pay any fees or charges when due; 2) generates, in Company's sole judgment, excessive false alarms; or 3) fails to perform other obligations set forth in this Agreement and such failure continues for ten (10) days after issuance of written notice by Company. In the event of a default, the Company may, by notice to Customer, terminate Customer's monitoring services. Company's responsibilities and liabilities under this Agreement shall also immediately cease. Customer will remain responsible for all charges incurred prior to the effective date of the service termination. If Customer breaches this Agreement during its Initial Term, Customer acknowledges that it will cause substantial damage to Company, and because it would be difficult if not impossible to determine the amount of such damage, Customer will also pay as liquidated damages and not as a penalty either an amount equal to eighty (80%) percent of the remaining payments owed during the Initial Term or all sums the Company may be entitled to under state law and, in either case, any related fees, court costs, collection costs, and attorney fees. All amounts are due immediately without presentment, demand, protest or further notice, all of which Customer expressly waives.

8. TRANSMISSION SYSTEMS Customer's System communicates with the Company's monitoring facility utilizing one or more networks - telephone, cable, Internet, cellular, or radio. It may also utilize equipment in Customer's home - telephone or cable equipment, modem, router, power supply. Together, the System, the network and other equipment represent the "Transmission System". This Transmission System is beyond the control of Company and Company takes no responsibility for its reliability or its continued compatibility with this intended usage. Each network and the related in-home equipment has its own inherent risks and reliability levels and the Customer should consider their own needs and requirements before choosing a Transmission System. **IN ORDER FOR THE SYSTEM TO TRANSMIT SIGNALS OVER THE INTERNET, IT MUST HAVE UNINTERRUPTED ACCESS TO AN ALWAYS-ON HIGH-SPEED INTERNET CONNECTION.** If a signal from Customer's System does not reach Company's monitoring facility for any reason, Company will not be able to respond and Company will not know about the communication problem. Communication issues might include, but are not limited to, network outages, severed lines, lack of power to key components, signal jamming, obsolescence or failure of components, and/or changes in laws or regulations. The Customer should test the System on a regular monthly basis and any time there is a change to any aspect of the Transmission System (See Section 6). The Customer should immediately notify the Company of any changes to the Transmission System (including use of DSL, VoIP or other broadband services as these may interfere with or prevent signal transmission) or any communication issues identified by Customer during testing. **IF THE TRANSMISSION SYSTEM USES A TELEPHONE LINE AND THAT LINE IS DISCONNECTED, THE ALARM TRANSMISSION WILL FAIL.** If Customer has chosen a means of communication that causes the System to seize control of a communication network in order to communicate with the monitoring facility, Customer understands that they will not be able to use that same communication network to call for emergency response during the time that the communication network is in use.

9. INTERRUPTION OF SERVICE: Neither Company nor its contractor assumes any liability for interruption of monitoring service due to strikes, riots, floods, storms, earthquakes, fires, power failures, interruption or unavailability of communication network service, acts of God, or for any other cause beyond the control of Company or its contractor. In case of such an event, Company may

11. SUBROGATION: Unless prohibited by Customer's insurance policy, Customer hereby discharges and agrees to hold Company harmless from any and all claims, liabilities, damages, losses or expenses, arising from or caused by any hazard covered by insurance in or on the Customer's Premises whether said claims are made by Customer, his agents, insurance carrier, or other parties claiming under or through Customer. Customer agrees to indemnify, defend and hold harmless Company and its contractor from any action for subrogation that may be brought against Company or its contractor by any insurer or insurance carrier, or its agents or assigns, including the payment of all damages, expenses, costs and attorney's fees. Customer shall notify their insurance carrier of the terms of this provision.

12. LIMITATION ON ACTIONS: To the extent permitted by law both parties hereby agree that no suit or action that relates in any way to this Agreement (whether based upon contract, negligence or otherwise) shall be brought against the other party more than one (1) year after the accrual of the cause of action.

13. BINDING ARBITRATION: THE PARTIES AGREE TO RESOLVE THROUGH BINDING ARBITRATION ALL CLAIMS, DISPUTES, OR LAWSUITS (COLLECTIVELY "CLAIMS"), REGARDLESS OF THEIR NATURE, ARISING OUT OF THIS AGREEMENT OR ANY OTHER BUSINESS RELATIONSHIP BETWEEN THE PARTIES. The parties agree that arbitration shall be conducted in accordance with the commercial rules of the Federal Arbitration Act (FAA). Arbitration or any related litigation will take place in Dallas, Texas, unless both parties agree to a different location. The arbitration shall be conducted by an attorney who is knowledgeable about the security industry. The arbitrator is not authorized to grant punitive damages. All direct and indirect costs for arbitration will be paid by the non-prevailing party or split in an equitable manner by the arbitrator. The arbitration proceedings, including decisions and awards, shall be held in confidence by both parties. The parties acknowledge that by executing this Agreement, they are waiving all rights to a jury or bench trial for all claims between the parties.

14. FALSE ALARMS: Customer understands that local authorities may impose fines for false alarms or signals, and Customer agrees to be responsible for these fines and any related costs whether they are levied directly on Customer or on the Company, its contractors, or subcontractors.

15. RESIDENTIAL SERVICE PLAN OPTION: After the installation warranty term, if the Service Plan has been selected, Company or its contractor will provide repair service during its regular business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday (excluding holidays) for fifty dollars (\$50) per incident for as long as Company provides Customer's monitoring service and Customer is current on all payments. Customer will pay for service provided outside these times at Company's customary rates. The Service Plan does not cover batteries, key fobs, alarm screens, cellular equipment, cameras, system moves, Z-Wave devices, or video equipment. It also does not cover damage caused by abuse, misuse, faulty connections, tampering, construction, vandalism, theft, acts of God, cosmetic damage or any other cause other than normal wear and tear.

16. ASSIGNMENT: This Agreement may not be assigned in whole or in part by Customer. Company may assign or subcontract all or any portion of this Agreement without notice to Customer and any such assignee or subcontractor shall be entitled to the rights, benefits, privileges and protection afforded to Company under the terms of this Agreement. Company may assign this Agreement to Monitronics Funding LP or Monitronics International, Inc., P.O. Box 914530 Dallas, TX 75381 or to another company. Monitronics Funding LP Licenses: AL#10-1061, AR#E 2007 0032, CA#ACO 6491, DE#07-215, FL#EF20000651, IL#127.001322, MI#3601205779, NY-12000293522, TX#B14432, UT#6510655-6501, Monitronics International, Inc. Licenses: AL#10-009, AR#E97-045, CA#ACO 4321, DE#98-91, FL# EF0000895, IL#127.000918, MI#3601205781, NY#12000285197, TX#B07727, UT#297872-8501.

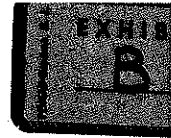
17. ACKNOWLEDGMENT: Customer authorizes release by a consumer reporting agency of consumer credit information to the Company and/or its assigns now and at any time during the term of this Agreement. Customer consents to the recording of all communications between the Customer and the Company.

18. ENTIRE AGREEMENT: This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof. Company's or its contractor's duty and obligation to provide monitoring service to Customer arise solely from this Agreement. This Agreement supersedes all prior representations, understandings, or agreements of the parties. This Agreement can only be modified (a) in writing, signed by the parties or their duly authorized agents or (b) by written notice sent by Company to Customer, provided that Customer does not object in writing within thirty (30) days after receiving the notice. No waiver or breach of any term or condition of this Agreement shall be construed to be a waiver of any succeeding breach. Customer agrees that Company may convert this Agreement to electronic media, which may serve as the exclusive original.

19. PRIVACY: Company will use commercially reasonable efforts to maintain the privacy of Customer's information. Customer understands that Company cannot guarantee privacy and agrees not to hold the Company liable for any claims, loss, damages, or costs that may result from loss of privacy. Customer consents to Company contacting him/her about new products and services.

20. LICENSING: If you are an Alabama resident, complaints against the licensee may be directed to the Alabama Electronic Security Board of Licensure, 7356 Vaughn Rd., PMB 392, Montgomery, AL 36116, (334) 264-9388. In Arkansas, licensing is regulated by the Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock, AR 72209, (501) 618-8600. In California, alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services.

TRIO ALARM LLC
 603 J Clyde Morris Blvd Suite B
 NEWPORT NEWS, VA 23601
 8886298610, 8004479239
 (VA)11-653310H;2075221 (WI)T052008
 WWW.TRIOALARM.COM



SCHEDULE OF PROTECTION

This schedule of Protection Agreement (The "Agreement") is made as of the 10th day of December, 2013, by and between TRIO ALARM LLC, the "Company" and the "Customer" listed below who owns the residence or business located at the address shown below (the "Premises").

Subscriber Information Form

NOTE: Shaded areas for sales rep. to complete

RESIDENTIAL NEW INSTALL NEW CONNECT DEALER NAME: Trio Alarm DEALER NUMBER: _____
 COMMERCIAL SYSTEM MOVE CUSTOMER MOVE ACCOUNT NUMBER: _____ CONTRACT MONITORING PURCHASE CORP/GOV
 DSL or Broadband Phone Service Privacy Manager TOLL ACCOUNT NUMBER: _____ INFORMATION NUMBER: _____

ENHANCED VERIFICATION TELEPHONE: _____
 Subscriber Password: _____
 PERMITS: _____ PERMITS EXP: _____
 Language: English Alt Language: _____ Email Address: _____

Dealer Information

Panel Type: XT Wireless Hardwire Both REPORTING FORMAT: CONTIN SIA 4X27 Other
 Cell Privacy Exp Backup 2-Way Call # _____ CSID NUMBER: 9797 Installer Code: 8746
 Dealer (Default): _____ PANEL TELEPHONE # _____ Panel Location: Kitchen
 Secondary Communication Account Number: _____ Alarm Net Alarm Com

Subscriber Contact List

Name	Telephone Number	Ext	Type	User #	Passcode
_____	_____	_____	_____	_____	_____
_____	_____	_____	Cell	_____	_____
_____	_____	_____	Home	_____	_____

2. Purchase of the System. Customer hereby agrees to buy, and Company hereby agrees to sell, at the Premises the Alarm system described below and incorporated herein for all purposes by this reference (the "System"). In accordance with the terms and conditions hereinafter set forth.

Installation & Equipment Sales								Post Installation Upgrades							
Item/Equipment	Qty	Price	Total	Rep	Qty	Price	Total	Item/Equipment	Qty	Price	Total	Rep	Qty	Price	Total
Panel Type <u>XT</u>	1														
<u>W/T SANS</u>															
<u>Med</u>															
<u>Keyfob</u>															
Subtotal \$ _____								Subtotal \$ _____							
TOTAL \$ _____								TOTAL \$ _____							

ZONE INFORMATION (Document both existing and new zones on system)

Wireless	Hardwire	Zone #	Zone Type	Location	Existing
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1	B	Front Door	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2	B	RE. Door	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3	B	Back Door	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4	B	DR. QB	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5	B	BR. QB	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6	M	Med	<input type="checkbox"/>

Wireless	Hardwire	Zone #	Zone Type	Location	Existing
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7	B	KEY	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>

Customer Authorization : To Be Completed by Customer Only

- Y N 1. Are you the homeowner?
- Y N 2. Is your home new construction?
- Y N 3. Are you under any contractual agreement/obligation with any other company for monitoring services?
- Y N 4. I understand that TRIO ALARM LLC, or any representative of TRIO ALARM LLC, cannot be responsible for cancelling any services with my current security company (if applicable).
- Y N 5. I understand that I have signed an agreement to receive monitoring services for (60) months.
- Y N 6. I understand the Activation and Installation fee is non-refundable once the security system is installed.
- N 7. I have been properly instructed on the use and operation of the alarm system (ie. arming & disarming the system).
- Y N 8. I understand I am responsible for obtaining and paying for any permits or fees required by my city/county.
- Y N 9. If equipment is removed, I understand that I am responsible for all required repairs to walls and/or frames.
- Y N 10. I have received an Alarm User Manual, Instructional DVD, yard sign and window decals from the technician.
- Y N 11. I am satisfied with the quality of the installation and the technician offered to clean up before he/she left the home.

By signing below, Customer acknowledges that the Company has authorization to deduct the Total Payment Due from the Account provided. Customer acknowledges that (a) Dealer has explained the full range of protection, equipment, and service available to Customer, (b) additional protection due and charges to be added to the account.

3. PURCHASE PRICE AND PAYMENT. Customer agrees to pay to Company for the System and the installation thereof the total amount shown, prior to completion of installation of the System.

4. Installation of the System. Company agrees to install of cause to be installed the System at the Premises in a workmanlike manner and in compliance with applicable laws, regulations and industry standards, and to furnish all material and labor necessary for such installation, subject to the following conditions: (a) Customer authorizes and empowers the Company to enter upon the Premises for such purpose and agrees to make the Premises available for such purpose during normal working hours (constituting 8:00am - 5:00pm, Monday through Friday, excluding nation holidays); (b) Customer will provide required electrical power outlets at the location or locations designated by Company for equipment requiring such power; (c) Customer will provide any communication network to which the system may be connected, including any internet, intranet, cable, transmission, or telephone lines and service (Company recommends the Customer properly install a RJ31X jack for connection of the System to Customer's telephone service); (d) Customer understands that installation will require drilling and cutting into certain parts of the Premises, which shall be identified to Customer before the work commences, and that certain wiring may be required to be exposed, although Company will attempt to conceal wiring in the finished areas of the Premises whenever possible, and Customer agrees to provide for lifting and replacing carpeting, if required, for installation of floor mats, switches, or wiring; and (e) Company will attempt to complete installation within 14 days following execution of this Agreement by Company, but Company expressly assumes no liability for delay in installation of the System due to strikes, riots, floods, storms, earthquakes, fires, power failures, insurrection, act of God, shortages of labor or materials, or any other cause beyond the control of Company.

5. TITLE TO THE SYSTEM; RISK OF LOSS. Customer acknowledges and agrees that title to and ownership of the System, and all component parts, shall remain the sole and exclusive property of Company until Customer has paid in full all amounts required hereunder. However, until the System has been paid for in full by Customer, Customer shall bear the entire risk of loss to the System. If Customer defaults in any payment under this agreement for the System, the Customer hereby authorizes and empowers Company to enter upon the Premises and to remove the System. Removal of the System shall not be deemed a waiver of Company's right to damages or to collect any payment due hereunder, and Company shall continue to have the right to enforce any legal remedy or right available to Company. Further, Company shall be in no way obligated to restore the Premises to its original condition or redecorate same in the event the System is removed as a result of Customer's default.

6. LIMITED ONE YEAR WARRANTY. a) Company warrants that the System will be free from defects in material and workmanship under normal use and operating conditions for a period of one year from the date of installation. Company will repair or replace, at Company's sole option, any component of the System proven to be defective during such period without further charge to Customer. b) Warranty Service will be furnished during Company's regular business hours of Monday - Friday, excluding holidays, from 8:00 a.m. until 5:00 p.m. Emergency Service provided at other times shall be paid by Customer at Company's customary rate. Customer must provide full access to the Premises and to the System requiring repair at the time agreed upon by Company and Customer. c) Warranty Service excludes: repair of the system as a result of: replacement of batteries; or damage from accident or abuse; misuse; faulty communication network, transmission, telephone or electrical connections; unauthorized repair, modification or tampering with the System; remodeling or construction; vandalism; theft; acts of God, cosmetic damage, or other causes other than normal wear and tear. Company reserves the right to use new or reconditioned parts in fulfillment of this warranty, and retain any parts removed from the System. Parts required which were not defective shall be at additional cost to Customer. Company shall not be responsible for failure to render service due to causes beyond Company's control. d) Company shall not be required to make repairs or replace any parts of the System that has been abused or not operated in accordance with instructions provided to Customer. Any other service provided shall be paid by Customer at Company's prevailing material and hourly rates.

7. DISCLAIMER OF ALL OTHER WARRANTIES. COMPANY DOES NOT REPRESENT OR WARRANT THAT THE SYSTEM OR ANY MONITORING SERVICE WILL PREVENT ANY LOSS BY BURGLARY, FIRE, HOLD-UP OR OTHERWISE, OR THAT THE SYSTEM OR ANY MONITORING SERVICE WILL IN ALL CASES PROVIDE THE NOTIFICATION SERVICE FOR WHICH IT IS INTENDED. CUSTOMER ACKNOWLEDGES AND AGREES THAT COMPANY HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION THE CONDITION OF THE SYSTEM OR ANY MONITORING SERVICE, THEIR MERCHANTABILITY OR THEIR FITNESS FOR ANY PARTICULAR PURPOSE. NOR HAS CUSTOMER RELIED ON ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESSLY CONTAINED HEREIN. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT ANY AFFIRMATION OF FACT OR PROMISE SHALL NOT BE DEEMED TO CREATE AN EXPRESS WARRANTY, THAT CLIENT IS NOT RELYING ON COMPANY'S SKILL OR JUDGEMENT IN SELECTING OR FURNISHING A SYSTEM, AND THAT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THE AGREEMENT HEREOF. CUSTOMER FURTHER ACKNOWLEDGES AND AGREES THAT COMPANY IS NOT AN INSURER; THAT CUSTOMER ASSUMES ALL RISK OF PERSONAL INJURY AND LOSS OR DAMAGE TO CUSTOMER'S PREMISES OR TO THE CONTENTS THEREOF; AND THAT CUSTOMER HAS READ AND UNDERSTANDS ALL OF THE CONTENTS THEREOF, PARTICULARLY PARAGRAPHS 10 AND 11, WHICH SET FORTH COMPANY'S MAXIMUM LIABILITY IN THE EVENT OF ANY LOSS OR DAMAGE TO CUSTOMER OR ANYONE ELSE.

8. ACCEPTANCE OF INSTALLATION. Customer hereby acknowledges and agrees that any error or omission in the installation of the System must be brought to the attention of Company in writing within five (5) days after the completion of installation; otherwise, the installation shall be deemed accepted by and satisfactory to Customer.

9. NOT A MONITORING CONTRACT. Customer hereby acknowledges and agrees that this Agreement is not a monitoring contract and does not provide for monitoring services to be provided by Company or any other party with respect to the System. Monitoring services to be provided to Customer with respect to the System shall be pursuant to a separate agreement to be separately negotiated by the parties, if desired. Customer acknowledges that the central station receiver telephone number is the property of Company. Upon expiration or cancellation of the Agreement, Customer will be charged for extended use and signals sent to this telephone number.

10. COMPANY IS NOT AN INSURER; LIMITATION OF LIABILITY. CUSTOMER AGREES AND UNDERSTANDS THAT COMPANY IS NOT AN INSURER, THAT INSURANCE, IF ANY, COVERING PERSONAL INJURY, INCLUDING DEATH, AND ALL REAL OR PERSONAL PROPERTY LOSS OR DAMAGE IN, ABOUT OR TO THE PREMISES SHALL BE OBTAINED BY CUSTOMER, THAT COMPANY MAKES NO GUARANTEE, REPRESENTATION OR WARRANTY INCLUDING ANY IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO:

OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT; (B) THE UNCERTAINTY OF THE RESPONSE TIME OF THE POLICE DEPARTMENT, FIRE DEPARTMENT, PARAMEDIC UNIT, OR OTHERS, SHOULD THE POLICE DEPARTMENT, FIRE DEPARTMENT, PARAMEDIC UNIT, OR OTHERS, BE DISPATCHED AS A RESULT OF A SIGNAL BEING RECEIVED; (C) THE INABILITY TO ASCERTAIN WHAT PORTION, IF ANY, OF ANY LOSS WOULD BE PROXIMATELY CAUSED BY COMPANY'S FAILURE TO PERFORM OR BY THE SYSTEM TO OPERATE; (D) THE UNCERTAIN NATURE OF OCCURRENCES WHICH MIGHT CAUSE INJURY OR DEATH TO CUSTOMER OR ANY OTHER PERSON WHICH THE SYSTEM IS DESIGNED TO DETECT OR AVERT OR, (E) THE NATURE OF THE SERVICE TO BE PERFORMED BY COMPANY. CONSEQUENTLY, CUSTOMER HEREBY ACKNOWLEDGES AND AGREES THAT COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE WHICH MAY OCCUR EVEN IF DUE TO THE ACTIVE OR POSSIBLE SOLE, JOINT OR SEVERAL NEGLIGENCE OF THE COMPANY OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR CONTRACTORS, OR TO THE IMPROPER PERFORMANCE OF AND/OR FAILURE TO PERFORM OF THE SYSTEM, OR TO BREACH OF CONTRACT, EXPRESS OR IMPLIED, OR BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR BY LOSS OR DAMAGE TO MONITORING FACILITIES, IN EXCESS OF THE MAXIMUM SUM OF TWO HUNDRED FIFTY DOLLARS (\$250.00) AND THIS LIABILITY SHALL BE EXCLUSIVE. If Customer wishes Company to assume a greater limited liability, Customer may obtain from Company a higher limitation of liability by paying an additional charge to Company. If Customer elects to exercise this option, a rider shall be attached to this Agreement setting forth such additional charges. Such rider and additional obligation shall in no way be interpreted to hold Company as an insurer.

11. THIRD PARTY INDEMNIFICATION. When Customer in the ordinary course has the property of others in Customer's custody or other persons are on the Premises, or the System extends to protect other persons or property of others, Customer agrees to and shall indemnify, defend, and hold harmless Company and its employees and agents, from and against all claims brought by parties other than the parties to this Agreement. This provision shall apply to all claims, demands, or lawsuits, regardless of cause, including Company's performance or failure to perform any of the obligations herein, Company's negligence, or a failure of the System, whether these claims are based upon negligence, express or implied warranty, contribution, indemnification, strict liability, or product liability, on the part of Company or its employees or agents.

12. SUBROGATION. Customer hereby releases, discharges, and agrees to hold Company harmless from any and all claims, liabilities, damages, losses or expenses, arising from or caused by any hazard covered by insurance in, about or to the Premises whether said claims are made by Customer, Customer's agents, or insurance company or other parties claiming under, or through Customer. Customer agrees to indemnify Company against and defend and hold Company harmless from any action for subrogation which may be brought against Company by any insurer or insurance company or its agents or assigns including the payment of all damages, expenses, costs, and attorney's fees. Customer shall notify Customer's insurance carrier of the terms of this provision.

13. LIMITATION OF ACTIONS. Waiver of Jury Trial. Both parties hereby agree that no suit or action that relates in any way to this Agreement (whether based upon contract, negligence or otherwise) shall be brought against the other more than one (1) year after the accrual of the cause of action therefrom. In addition, both parties hereby waive any rights to a jury trial in any judicial action brought by either party which relates in any way to this Agreement (whether based upon contract, negligence or otherwise).

14. CHANGES IN STANDARDS AND REGULATIONS OF REGULATORY AGENCIES. Company shall not be responsible nor liable for any costs or changes necessitated by changes in the regulations and standards of any regulatory agencies after the date of execution of this Agreement. Customer shall be responsible for and shall pay to Company the cost of any additions, corrections or changes to the System that may be requested or required, after the execution of this Agreement by Customer, by any of the regulatory agencies or institutions, including, but not limited to any State Fire Marshall, any insurance companies, the National Fire Protection Association, Underwriters Laboratories, Inc., or any other municipal or local police, fire or electrical agencies.

15. COMPANY'S RIGHT TO FILE MECHANIC'S LIEN. Customer acknowledges that Customer is aware that if Customer defaults in the performance of any of the terms or conditions of this Agreement, Company may have the right to record a Mechanic's Lien upon any property upon which Company has bestowed labor and/or furnished material or appliances or equipment, for the value of such labor done, or materials furnished, and/or for the value of the use of such appliances or equipment, whether done or furnished at the instance of the owner or any personal acting by or under the authority of the owner, or under the owner as a contractor or otherwise. Customer may be entitled to protect himself or herself under applicable law against such claims either by filing with the court a "No Lien Agreement" or a payment bond, depending upon the law of the state where the Premises is located.

16. TESTING. It is the responsibility of Customer to test the System for proper operation periodically, but not less than monthly.

17. INTEREST. Any Amounts due Company and past due for thirty (30) days will be subject to a one and one-half percent (1.5%) interest charge for each month on the unpaid balance, this being equivalent to 18% per year, or will be subject to the maximum annualized interest rate allowed by applicable law, whichever is the lesser amount.

18. INVALID PROVISIONS. If any of the terms or provisions of the Agreement shall be determined to be invalid or inoperative, all of the remaining terms and provisions shall remain in full force and effect.

19. DEFAULT. In the event of default by Customer in the performance of any of the terms or conditions of the Agreement, including timely payment of any amounts due to Company, Company may pursue any one or more of the following remedies, which shall be cumulative and nonexclusive: (a) recover from Customer the total unpaid balance of the sum provided from in cease further work on the installation of the System; (b) repossess the System; (c) immediately (10) day written notice to Customer; and (e) pursue any other remedy at law now or hereafter responsible to Company for any deficiency remaining after Company applies the proceeds of such resale, first to all costs of repossession and resale, including, but not limited to, storage, repair, renovation, alteration, attorney's fees, collection costs and commissions, and then to the unpaid amount due hereunder.

20. COMPLIANCE WITH LAWS. Customer agrees to be bound by all applicable laws, regulations and industry standards, and to furnish all material and labor necessary for such installation, subject to the following conditions: