

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

SANTIAGO L. HERNANDEZ, Individually and
on Behalf of All Others Similarly Situated,

Plaintiff,

V.

THE ADT CORPORATION, a Delaware corporation, and ADT LLC d/b/a ADT SECURITY SERVICES, a Florida limited liability company,

Defendants.

Case No.:

COMPLAINT - CLASS ACTION

DEMAND FOR JURY TRIAL

Plaintiff Santiago L. Hernandez (“Plaintiff”), by and through his attorneys, brings this action on behalf of himself and all others similarly situated against Defendants The ADT Corporation (“ADT Corp.”) and ADT LLC d/b/a ADT Security Services (“ADT Security”)(collectively, “ADT”), and states:

I. NATURE OF THE ACTION

1. Plaintiff brings this consumer rights and deceptive advertising class action in order to redress ADT's unlawful and deceitful marketing campaign in connection with the sale of wireless home security equipment and monitoring services. ADT, the largest residential and small business electronic security provider in the United States, markets its home security equipment and monitoring services as being safe and reliable, and boasts that ADT uses the most innovative and advanced technology in the market. In truth, ADT's wireless signals are anything but safe and reliable, as the wireless signals are both unencrypted and unauthenticated, and can easily be intercepted and interfered with by unauthorized third parties. As such, ADT's customers are far more vulnerable and less safe than ADT leads them to believe.

2. Through a variety of brands, including ADT, ADT Pulse, and Companion Services, ADT provides electronic security, interactive home and business automation, and related monitoring services to approximately 6.5 million residential and small business customers in the United States and Canada. ADT also has six monitoring centers scattered across North America to aid customers in case of an emergency.

3. Approximately 90% of ADT's annual revenue is driven by the equipment and services ADT provides, which are governed by multi-year contracts that generate recurring revenue.

4. ADT's service offerings include the installation and monitoring of residential and small business security and premises automation systems that react to movement, smoke, carbon monoxide, flooding, temperature and other environmental conditions and hazards, and address personal emergencies, such as injuries, medical emergencies or incapacitation. ADT also offers its customers video surveillance that allows them to see live video of their homes or businesses from anywhere on a smartphone or computer.

5. In its marketing materials, including on its website, ADT represents that it "has one of the most trusted and well-known brands in the security industry today." ADT's marketing materials are purposefully designed to give potential customers the overall impression that its home security equipment and services are secure and reliable.

6. However, ADT's marketing materials and statements are deceiving, as ADT's home security system's wireless signals are unencrypted and unauthenticated, leaving customers and their families vulnerable to intrusion and interference by unauthorized third parties. As a result, ADT's wireless systems can be easily accessed and manipulated, allowing third parties to,

for example, remotely disable security systems or cause the system to activate an alarm when no security breach has transpired.

7. At all relevant times, ADT knew that its home security wireless signals were vulnerable to manipulation and thus less safe and reliable than advertised. Nevertheless, ADT continues to turn a blind eye by refusing to notify its customers that its wireless systems are unencrypted and insufficiently secure to prevent third parties from interfering with them. Astonishingly, ADT continues to promote the safety, security, and peace of mind that ADT's systems and services will provide to its customers.

8. ADT's misleading marketing statements and omissions are particularly egregious given that they provide a false sense of security to those individuals and businesses that are most vulnerable: individuals and businesses who are seeking the comfort of an extra level of security that a home security system provides.

9. ADT's knowing misrepresentations and omissions regarding the quality of its home security systems and the safety that the systems provide, and ADT's failure to encrypt or otherwise secure its wireless signals, violates the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. §501.201, *et seq.*, and constitutes unjust enrichment and negligent misrepresentation.

10. Plaintiff, on behalf of himself and the putative Class, seeks declaratory and injunctive relief pursuant to Federal Rule of Civil Procedure 23(a) and (b)(2) requiring ADT to change its marketing materials and to secure its customers' wireless systems, plus actual damages, statutory damages, exemplary damages, attorneys' fees, litigation expenses, and costs pursuant to Rule 23(a) and Rule 23(b)(3), for violations of the statutory and common law of the State of Florida.

11. The allegations in this Complaint are based on the personal knowledge of Plaintiff as to himself, and on information and belief as to all other matters through investigation of Plaintiff's undersigned counsel.

II. JURISDICTION AND VENUE

12. This Court has original jurisdiction pursuant to 28 U.S.C. § 1332(d)(2). The matter in controversy, exclusive of interest and costs, exceeds the sum or value of \$5,000,000 and is a class action in which members of the Class of plaintiffs are citizens of states different from ADT. Further, greater than two-thirds of the Class members reside in states other than the state in which ADT is a citizen.

13. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 in that many of the acts and transactions giving rise to this action occurred in this district and because defendants:

- a) maintain their principal executive offices in this district;
- b) are authorized to conduct business in this district and have intentionally availed themselves of the laws and markets within this district through the promotion, marketing, and distribution of their products in this district;
- c) do substantial business in this district; and
- d) are subject to personal jurisdiction in this district.

III. PARTIES

14. Plaintiff Santiago L. Hernandez is a resident and citizen of Florida.

15. Defendant The ADT Corporation is a Delaware corporation with its principal executive offices located at 1501 Yamato Road, Boca Raton, Florida 33431.

16. Defendant ADT LLC is a Florida limited liability corporation with its principal executive offices located at 1501 Yamato Road, Boca Raton, Florida 33431.

IV. FACTUAL ALLEGATIONS

A. *Company Background*

17. ADT is a leading provider of security and automation solutions for homes and businesses in the United States and Canada. ADT provides products and services, including ADT Pulse® interactive home and business solutions, and health services, to approximately 6.5 million customers.

18. ADT markets, advertises, and sells wireless home security and home automation equipment and services to consumers. Although consumers can purchase many of these products separately, ADT advertises that “wireless home security systems are easily upgradable to ADT Pulse® service, one simple solution combining home security and home automation.”

19. ADT markets its home security products and services as “Prevention and protection solutions for your home, family and peace of mind.”

20. ADT markets its home automation products and services as “Innovative technology lets you manage your home and lifestyle – anytime, anywhere.”

21. Further, ADT describes and advertises its ADT Pulse® service as “Smart home systems help you stay connected and protected with easy-to-use features that give you peace of mind – practically anywhere, any time.”

B. *ADT’s Deceptive and Unlawful Business Practices*

22. In its marketing materials, including on its website, ADT misrepresents to its customers that its home security equipment and services are safe, reliable, and secure, knowing that the extra layer of security advertised is the main reason consumers and businesses purchase home security and automation services. For example, in its website, ADT makes the following representations:

- a) "I help keep the peace and help keep you in control";
- b) "Think I'm only about security? Think again. From lights to locks to live video and everything in between, I help keep your home both safe and smart";
- c) "Get Security You Can Count On. Every Day of the Year";
- d) "Your haven is armed with 24-hour-a-day protection, 365 days a year";
- e) "Live worry-free with ADT Security for less than \$1 a Day"; and
- f) "Fast. Reliable. Security Protection. ADT stays constantly alert with six Customer Monitoring Centers operating day and night across the country. Our Customer Monitoring Centers are nationally connected, equipped with secure communication links and backs by the latest technology so that our security team is always ready to act the moment an incident occurs."

23. In its marketing materials, including on its website, ADT also stresses the importance of having a home security system and the safety it provides to customers and their families. For example, ADT makes the following representations on its website:

- a) "The difference is our coverage";
- b) "ADT home security Customer Monitoring Centers are on call 24 hours a day, 365 days a year. Only ADT has six Customer Monitoring Centers to provide you with the fastest response, because when an alarm is triggered, fast response *really* matters."
- c) "When you want to do everything you can to safeguard your loved ones, your home and your treasured possessions, you owe it to yourself and your family to talk to us about our continuous 24/7 protection";
- d) "When it comes to you and your family's safety, we let nothing stand in the way of our professionally trained team immediately working to help ensure your safety";
- e) "Only home security monitoring provides you and your family with the reassurance that even when no one's home, you're protected against unwanted entry and property loss";
- f) "We Save Lives";

- g) "Saving families, homes and pets";
- h) "When the alarm is triggered, every second counts"; and
- i) "When security counts Count on the company with a fast response time."

24. ADT also touts its advanced and innovative technology, stating:

- a) "Only ADT has the most security industry experience, is a leader in innovative security technology, and can provide you with fast response times";
- b) "Our six nationwide Customer Monitoring Centers are operated by state-of-the-art technology backed by powerful equipment and secure communication links. It is this nationwide connection and innovative security technology that gives ADT the ability to provide security protection during adverse conditions. If a Customer Monitoring Center faces an interruption of service, protection is seamlessly transferred to another Customer Monitoring Center. That is how we ensure you receive continuous and reliable service";
- c) "ADT takes pride in using the most advanced technology";
- d) "Our experience, technology and people make the difference in your security protection"; and
- e) "You invest in ADT home security and automation systems to help protect your loved ones. Your satisfaction is important to us, and is the reason we are committed to providing you with state-of-the-art equipment and service. We back our commitment with the following exclusive guarantees."

25. Through its website and marketing materials, ADT encourages prospective customers to purchase their products and retain their services by advertising that ADT uses the most advanced technology. Additionally, ADT represents to potential customers that they can feel secure knowing that ADT's systems provide the highest and most advanced level of safety.

C. ADT's Wireless Security Systems Are Unencrypted and Unauthenticated

26. Despite ADT's numerous representations regarding the efficacy of its security systems, ADT's wireless security systems are actually unencrypted and unauthenticated. As a

result, ADT's wireless systems can be easily accessed and manipulated — or “hacked” — by unauthorized third parties, leaving unsuspecting customers vulnerable.

27. Using a device as simple and inexpensive as a Software-Defined Radio (“SDR”), an unauthorized third party can see transmissions from ADT's sensors and track when people are opening and closing windows and doors.

28. Similarly, an SDR can manipulate an ADT wireless security system by either falsely triggering an alarm or jamming the system so that alarms are not triggered in the event that a sensor is breached. In some instances, this causes ADT to call customers and inquire whether they want the police summoned to their home. Troublingly, third parties can use this tactic to see if specific customers actually have the police summoned to their homes; if not, the third parties can use that information to target those customers for home invasions (or worse).

29. By hacking ADT's wireless systems, unauthorized parties can also remotely disconnect or disable security systems, leaving unknowing customers unprotected.

30. In 2014, *Forbes* published an article titled “How Your Security System Could Be Hacked To Spy On You” detailing how easy it is to hack into ADT's wireless systems.¹ In the article, a cybersecurity researcher at the U.S. Department of Energy explains in detail how he was able to see transmissions from ADT sensors and track when people were opening and closing doors in a home using a cheap SDR. The cybersecurity researcher further explained that, with a more sophisticated SDR, he could interfere with transmissions, falsely set off the alarm by tricking the system into believing that a door or window had been opened, and jam the system so that the alarms would not go off even if doors were opened.

¹ <http://www.forbes.com/sites/kashmirhill/2014/07/23/how-your-security-system-could-be-used-to-spy-on-you/#403aa5b8198b>

31. ADT has known for some time that its systems are vulnerable to intrusions. For example, in response to allegations that its systems were not secure, an ADT spokesperson asserted that “[t]here are many experiments conducted each year by professional hackers in controlled environments who seek vulnerabilities within an array of different products and systems. Our customers should know that we take the outcome from any of these tests with the highest level of seriousness, and we continually invest significant resources in modifying and improving our systems accordingly.”

32. Further demonstrating ADT’s knowledge that its wireless systems can be manipulated with, upon information and belief, most — if not all — of ADT’s alarm panels installed in customers’ homes and businesses contain a feature that will jam outside signals. Yet, ADT not only fails to activate this feature for its customers, but also conceals its very existence.

33. Despite ADT’s knowledge of its wireless systems’ shortcomings and promise to improve its systems, ADT has nevertheless failed to modify or improve its wireless systems to encrypt or authenticate the wireless signals, or otherwise make them more secure.

34. Unsurprisingly, ADT does not notify customers that their systems are unencrypted or insufficiently secure. Further, despite representing in their contracts with customers that “ADT has explained to me the full range of equipment and services that ADT can provide me,” ADT unequivocally fails to advise their customers that their alarm panels have a feature that can jam outside signals.

35. Instead, ADT misrepresents the security of its wireless systems and its use of purportedly “advanced and innovative technology” in its marketing materials in order to create the impression that its security systems are secure, reliable, and unsusceptible to outside interference.

36. Plaintiff and Class members had a reasonable belief that ADT's wireless security equipment would be encrypted and authenticated, or otherwise secured against outside interference. Indeed, ADT's marketing and advertising materials emphasize safety and security, and give the impression that ADT's wireless security equipment could not easily be breached or interfered with, as ADT allegedly provides its customers with "state-of-the-art equipment and service."

37. Specifics of wireless technology — such as how easily it is to "hack" into ADT's wireless systems — is outside the realm of knowledge of the average consumer. By offering wireless security systems to the public, ADT unquestionably has greater knowledge of wireless technology than the average consumer, and therefore, consumers can reasonably expect to rely on ADT's representations regarding the safety and reliability of its wireless security systems.

38. However, in its marketing materials, ADT does not warn customers to take precautions against hacking, or that these wireless systems can be hacked.

39. ADT's misrepresentations and omissions regarding the security of its wireless systems is particularly dangerous, as customers review ADT's representations and believe that their homes and businesses have an extra layer of protection guarding them when the wireless systems are activated. However, even when ADT's wireless systems are activated, customers' homes and businesses are much more vulnerable to intrusion than they are led to believe.

40. ADT's misrepresentations and omissions regarding the security of its wireless systems were knowing and intentional, and were designed to mislead customers as to the security and quality of its wireless systems. Had potential customers known about the systems' shortcomings, they would not have purchased an ADT wireless system whose primary function is to provide safety and security.

41. ADT knows how to encrypt or otherwise secure wireless signals in its security systems, as the encryption technology is widely available and used by other companies in their security systems.

D. Facts Specific To Plaintiff

42. In determining whether to enter into a contract with ADT, Plaintiff researched a number of security and alarm companies, including ADT. When researching ADT, Plaintiff reviewed, *inter alia*, ADT's marketing and advertising materials, including the statements made on ADT's website set forth herein.

43. Relying on the deceptive and misleading representations and omissions made by ADT as detailed above, Plaintiff entered into a three-year Residential Services Contract ("Contract") with ADT on February 28, 2015. Upon information and belief, the terms of Plaintiff's Contract were the same or substantially similar to all Class members' Contracts, as ADT uses standard, uniform Contracts for all of its customers. In fact, the Terms and Conditions included in the Contract mirror the Terms and Conditions found on ADT's website.²

44. Additionally, in connection with the Contract, Plaintiff and the Class members purchased the corresponding ADT wireless security equipment, such as sensors, a wireless device, and a control box.

45. None of the marketing materials that Plaintiff saw prior to entering into the Contract disclosed that ADT's wireless security equipment was unencrypted, unauthenticated, or otherwise insecure and easily hacked.

46. Had Plaintiff and the Class members known the truth about ADT's misleading representations, or about ADT's omissions regarding the insecurity of ADT's wireless security

² Exhibit 1, Santiago L. Hernandez Contract

equipment, they would not have entered into the Contract or purchased any of the associated equipment.

47. Plaintiff and the Class members continue to suffer harm as a result of ADT's aforementioned acts and practices, as they remain bound by their Contract with ADT, and will have to pay a penalty if they cancel it.

V. CLASS ACTION ALLEGATIONS

48. Plaintiff brings this lawsuit on behalf of himself and on behalf of a Class and a Subclass of persons under Rule 23(b)(2) and (3) of the Federal Rules of Civil Procedure.

a) THE NATIONAL CLASS. The proposed Class consists of:

All persons in the United States who entered into an ADT Alarm Services Contract and purchased ADT wireless security equipment (the "Class").

b) THE FLORIDA SUBCLASS. Claims are brought for this Subclass under the consumer-protection statutes of Florida, on behalf of persons who, during the class period, resided there. This Class consists of:

All Florida residents who entered into an ADT Alarm Services Contract and purchased ADT wireless security equipment (the "Subclass").

49. Subject to additional information obtained through further investigation and discovery, the foregoing definitions of the Class and Subclass may be expanded or narrowed by amendment or amended complaint. Specifically excluded from the proposed Class and Subclass are the Defendants, its officers, directors, agents, trustees, parents, children, corporations, trusts, representatives, employees, principals, servants, partners, joint venturers, or entities controlled by the Defendants, and its heirs, successors, assigns, or other persons or entities related to or

affiliated with the Defendants and/or its officers and/or directors, or any of them; the Judge assigned to this action, and any member of the Judge's immediate family.

50. *Numerosity.* The members of the Class are so numerous that their individual joinder is impracticable. Plaintiff is informed and believes, and on that basis alleges, that the proposed Class contains hundreds of thousands of members, as ADT claims that it has more than a 25% share of the \$11 billion residential security and automation industry, and a 13% share of the \$2.4 billion small business security and automation industry. The precise number of Class members is unknown to Plaintiff. The true number of Class members is known by the Defendants, however, and thus, may be notified of the pendency of this action by first class mail, electronic mail, and by published notice.

51. *Existence and Predominance of Common Questions of Law and Fact.* Common questions of law and fact exist as to all members of the Class and predominate over any questions affecting only individual Class members. These common legal and factual questions include, but are not limited to, the following:

- c) Whether ADT misrepresents the security and safety that its wireless systems provide;
- d) Whether ADT misrepresents that it uses advanced and innovative technology in connection with its wireless services;
- e) Whether ADT's wireless systems are unencrypted, unauthenticated, or otherwise insecure;
- f) Whether ADT failed to warn customers and potential customers that its wireless systems were unencrypted, unauthenticated, or otherwise insecure;
- g) Whether ADT failed to warn customers and potential customers that their wireless systems could be hacked;
- h) As to the Class and Subclass, whether ADT's misrepresentations and omissions regarding its wireless systems constitute an unfair and/or

deceptive practice under the Florida Deceptive and Unfair Trade Practices Act;

- i) As to the Class and Subclass, whether ADT's failure to sufficiently secure its wireless systems is an unfair and/or deceptive practice under the Florida Deceptive and Unfair Trade Practices Act;
- j) Whether ADT's wireless systems are defective products;
- k) Whether Plaintiff and members of the Class and Subclass were damaged as a result of ADT's conduct alleged herein; and
- l) Whether ADT was unjustly enriched as a result of the conduct alleged herein.

52. **Typicality.** Plaintiff's claims are typical of the claims of the members of the Class and Subclass in that Plaintiff's claims and the claims of the members of each Class all arise from the same event or pattern or practice: Plaintiff and each of the Class and Subclass members entered into ADT's standard, uniform Contract, and purchased the same defective ADT wireless security equipment. Furthermore, ADT's aforementioned misrepresentations and omissions were uniformly made to Plaintiff and all members of the Class and Subclass.

53. **Adequacy of Representation.** Plaintiff will fairly and adequately protect the interests of the members of the Class. Plaintiff has retained counsel highly experienced in complex consumer class action litigation, and Plaintiff intends to prosecute this action vigorously. Plaintiff has no adverse or antagonistic interests to those of the Class.

54. **Superiority.** A class action is superior to all other available means for the fair and efficient adjudication of this controversy. The damages or other financial detriment suffered by individual Class members is relatively small compared to the burden and expense that would be entailed by individual litigation of their claims against the Defendants. It would thus be virtually impossible for the Class, on an individual basis, to obtain effective redress for the wrongs done to them. Furthermore, even if Class members could afford such individualized litigation, the

court system could not. Individualized litigation would create the danger of inconsistent or contradictory judgments arising from the same set of facts. Individualized litigation would also increase the delay and expense to all parties and the court system from the issues raised by this action. By contrast, the class action device provides the benefits of adjudication of these issues in a single proceeding, economies of scale, and comprehensive supervision by a single court, and presents no unusual management difficulties under the circumstances here.

55. In the alternative, the Class may be also certified because:

- a) the prosecution of separate actions by individual Class members would create a risk of inconsistent or varying adjudication with respect to individual Class members that would establish incompatible standards of conduct for the Defendants;
- b) the prosecution of separate actions by individual Class members would create a risk of adjudications with respect to them that would, as a practical matter, be dispositive of the interests of other Class members not parties to the adjudications, or substantially impair or impede their ability to protect their interests; and/or
- c) Defendants have acted or refused to act on grounds generally applicable to the Class thereby making appropriate final declaratory and/or injunctive relief with respect to the members of the Class as a whole.

56. Adequate notice can be given to Class members directly using information maintained in Defendants' records or through notice by publication.

57. Damages may be calculated, in part, from the customer information maintained in Defendants' records, so that the cost of administering a recovery for the Class can be minimized.

However, the precise amount of damages available to Plaintiff and the other members of the Class is not a barrier to class certification.

58. Unless a class is certified, Defendants will retain monies received as a result of its conduct that was taken from Plaintiff and proposed Class members. Unless a classwide injunction is issued, Defendants will continue to commit the violations alleged, and the members of the Class and the general public will continue to be misled.

VI. COUNTS AGAINST DEFENDANTS

COUNT I

Violation of Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. §501.201, *et seq.*, On Behalf of Plaintiff and the Class

59. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

60. This cause of action is brought pursuant to the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. §501.201, *et seq.* (the “Act”). The stated purpose of the Act is to “protect the consuming public . . . from those who engage in unfair methods of competition, or unconscionable, deceptive, or unfair acts or practiced in the conduct of any trade or commerce.” Fla. Stat. §501.202(2).

61. Plaintiff and Class members are consumers as defined by Fla. Stat. §501.203(7), and the relevant transactions with ADT are “trade or commerce” as defined by Fla. Stat. §501.203(8).

62. ADT is a “person” within the meaning of the Act and was subject, at all relevant times, to the requirements and proscriptions of the Act with respect to all of their business and trade practice enunciated herein.

63. Fla. Stat. §501.204(1) declares unlawful “[u]nfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce.”

64. Fla. Stat. §501.204(2) states that “due consideration and great weight shall be given to the interpretations of the Federal Trade Commission and the federal courts relating to [section] 5(a)(1) of the Federal Trade Commission Act.” ADT’s unfair and deceptive practices are likely to mislead — and have misled — the consumer acting reasonably under the circumstances, and therefore violate Fla. Stat. §500.04 and 21 U.S.C. §343. Further, FTC rules and regulations require that ADT have the same level of substantiation for its advertisements at the time they are made as it claimed in the advertisement.

65. ADT has violated the act by engaging in the unfair and deceptive practices set forth herein which offend public policies and are immoral, unethical, unscrupulous and substantially injurious to consumers.

66. ADT has engaged in unfair competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of its trade and commerce by knowingly misrepresenting the security and advanced technology of its wireless services, failing to notify customers of the insecurity and inefficiency of their wireless systems, and failing to encrypt or otherwise secure their wireless systems, which was deceptive and misleading, and reasonably likely to deceive the public.

67. Plaintiff and the Class members have been aggrieved by ADT’s unfair and deceptive practices, as they were led to believe that residential consumers and businesses that purchased ADT wireless security systems were more secure than they actually were. ADT, knowing that its wireless systems were insecure and susceptible to hacking, nevertheless

intentionally designed its marketing campaign to induce consumers to purchase its products and services through the use of misrepresentations and omissions.

68. The damages suffered by Plaintiff and the Class members were directly and proximately caused by the deceptive, misleading and unfair practices of ADT, as more fully described herein.

69. Unless preliminary and permanent injunctive relief is granted and ADT is required to encrypt its wireless systems, Plaintiff and the Class members will continue to suffer irreparable harm throughout the duration of their contracts with ADT. Plaintiff and the Class members do not have an adequate remedy at law for this continued harm, and the balance of equities weighs in favor of Plaintiff and the Class. Additionally, consumers who continue purchasing ADT wireless systems under the mistaken belief that the systems are more secure than they actually are will continue to be harmed unless preliminary and permanent injunctive relief is granted.

70. The injuries suffered by Plaintiff and the Class members were caused by ADT's deceptive and misleading marketing that originated in Florida, including the marketing materials described herein. All of the marketing and promotional activities and literature were coordinated, developed, and approved at ADT's Florida headquarters. All critical decisions pertaining to ADT's marketing materials were made in Florida.

71. Additionally, pursuant to Fla. Stat. §501.211(1), Plaintiff and the Class seek a declaratory judgment and court order enjoining the above-described wrongful acts and practices of Defendants and for restitution and disgorgement.

72. Further, pursuant to Fla. Stat. §§501.211(2) and 501.2105, Plaintiff and the Class seek monetary damages, attorneys' fees and costs.

COUNT II
Negligent Misrepresentation
On Behalf of Plaintiff and the Class

73. Plaintiff realleges and incorporates by reference the allegations contained above as if fully set forth herein.

74. Through its marketing materials and advertising campaigns, Defendants made material misrepresentations to Plaintiff and the members of the Class by misrepresenting that ADT's wireless security systems were safe and reliable, and that ADT uses the most innovative and advanced technology.

75. These representations were false, and at the time such misrepresentations were made, Defendants knew or should have known of their falsity or, at the very least, acted with negligence and carelessness in ascertaining the truth of its false representations. Contrary to Defendants' representations, ADT's wireless signals are unencrypted and unauthenticated, and can easily be intercepted and interfered with by unauthorized third parties, leaving consumers in more compromising situations than ADT led them to believe.

76. Defendants intended that Plaintiff and the members of the Class rely on these misrepresentations, and Plaintiff and the members of the Class did in fact rely on Defendants' misrepresentations when engaging ADT's services.

77. As a direct and proximate result of Defendants' misrepresentations, Plaintiff and the members of the Class have suffered damages.

COUNT III
Unjust Enrichment
On Behalf of Plaintiff and the Class

78. Plaintiff realleges and incorporates by reference the allegations contained above as if fully set forth herein.

79. By virtue of failing to notify or warn customers that ADT wireless security equipment transmissions could easily be interfered with or hacked prior to their purchase of ADT wireless security systems, knowing that customers could not, by the exercise of reasonable care, have discovered that the wireless security equipment was unencrypted and insecure, ADT unjustly retained a monetary benefit — the amount of money paid by customers for ADT's equipment and monitoring services — to the detriment of Plaintiff and the Class.

80. Furthermore, ADT unjustly retained a monetary benefit — the amount of money paid by customers for ADT's equipment and monitoring services — to the detriment of Plaintiff and the Class through its misleading marketing campaign, which induced customers into purchasing ADT equipment and wireless services.

81. Moreover, ADT unjustly retained a monetary benefit to the detriment of Plaintiff and the Class by virtue of designing, distributing, and selling unencrypted and unsecure wireless security systems, which rendered ADT's systems unreasonably dangerous and defective.

82. ADT's retention of this monetary benefit violated the fundamental principles of justice, equity, and good conscience.

83. ADT accepted this unjust benefit, and it would be inequitable for ADT to retain the benefit of those monies, as ADT was paid the money as a result of its deceptive and unfair practices.

84. ADT has obtained money to which it is not entitled, and, under the circumstances, equity and good conscience require that ADT return the money with interest to Plaintiff and the Class.

VII. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Class, prays for judgment as follows:

- a) Declaring this action to be a class action pursuant to Rule 23(a), (b)(2) and (b)(3) of the Federal Rules of Civil Procedure on behalf of the Class and Subclass defined herein;
- b) Awarding Plaintiff and the other members of the Class damages in an amount which may be proven at trial, together with interest thereon;
- c) Awarding restitution and disgorgement of ADT's revenues to Plaintiff and the proposed Class members;
- d) Awarding declaratory and injunctive relief as permitted by law or equity, including enjoining Defendants from continuing their unlawful practices as set forth herein, and directing Defendants to identify, with Court supervision, victims of its conduct and pay them restitution and disgorgement of all monies acquired by Defendants by means of any act or practice declared by this Court to be wrongful;
- e) Awarding Plaintiff and the Class punitive damages;
- f) Ordering ADT to engage in a corrective advertising campaign;
- g) Awarding Plaintiff and the members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' and experts' witness fees and other costs; and
- h) Awarding such other relief as this Court deems appropriate.

VIII. JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

DATED: March 7, 2016

Respectfully Submitted,

SAXENA WHITE P.A.

/s/ Jonathan M. Stein

Jonathan M. Stein (Florida Bar No. 009784)

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on March 7, 2016, I presented the foregoing to the Clerk of the Court for filing and uploading to the CM/ECF system. This system will send electronic notice of filing to all counsel of record by operation of the Court's electronic filing system.

I certify under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on March 7, 2016.

/s/ Jonathan M. Stein
Jonathan M. Stein

EXHIBIT 1

3/07/2016 Page

5401UE05

CONTRACT					CUSTOMER	4	0	1	2	5	7		JOB		LEAD			
DATE	6	/	7	/	ACCOUNT NO.								NO.		SOURCE			

ADT LLC
dba ADT Security Services ("ADT")
Office Address

Customer Name
("Customer" or "I" or "me" or "my")

[illegible][illegible]

City State ZIP

Tax Exempt No. XXXXXXXXXXXX Tax Expire Date / /

www.MyADT.com
800.ADT.ASAP®
(800.238.2727)

Protected Premises' Telephone

☐ Traditional Phone ☐ Other (Qualified) ☐ Other (Non-Qualified)

Alternate Telephone 1

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☐ Home ☐ Cell ☐ Work

Alternate Telephone 2

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

☐ Home ☐ Cell ☐ Work

☐ Fill in if billing address is the same

[illegible][illegible]

IF FAMILIARIZATION PERIOD IS REJECTED INITIAL HERE _____ (see Paragraph 14 of the Terms and Conditions for explanation)

[illegible]

Communications Authorization: I authorize ADT to provide me with information and updates about the security system and new ADT and third-party products and services to the contact information provided by me. I may unsubscribe or opt out by emailing donotcontact@adt.com or by calling 888.DNC4ADT (888.362.4238). Initial here _____

If I have provided or do provide ADT with a phone number, including but not limited to a cell phone number, a number that I later convert to a cell phone number, or any number that I subsequently provide for billing purposes, I agree that ADT may contact me at this/these number(s). I also agree to receive calls and messages, including pre-recorded messages and calls and messages from automated dialing systems, at the number(s) provided.

EQUIPMENT TO REMAIN THE PROPERTY OF ADT. All equipment installed by ADT pursuant to this Contract shall be owned by ADT unless ADT has agreed to give me ownership of the equipment in a separate written agreement. ADT has the right upon termination of this Contract to remove or disable any and all of the equipment owned by ADT, in which case I will not be able to use the equipment for any purpose. See Paragraph 7 of the Terms and Conditions for more information.

I acknowledge and agree to each of the following: (A) This Contract consists of six (6) pages. Before signing this Contract, I have read, understand and agree to each and every term of this Contract, including but not limited to Paragraphs 5 and 18 of the Terms and Conditions. (B) The initial term of this Contract is three (3) years. (C) ADT is not a security consultant and cannot address all of my potential security needs. ADT has explained to me the full range of equipment and services that ADT can provide me. Additional equipment and services over those identified in this Contract are available and may be purchased from ADT at an additional cost to me. I have selected and purchased only the equipment and services identified in this Contract. (D) No alarm system can provide complete protection or guarantee prevention of loss or injury. Fires, floods, burglaries, robberies, medical problems and other incidents are unpredictable and cannot always be detected or prevented by an alarm system. Human error is always possible, and the response time of police, fire and medical emergency personnel is outside the control of ADT. ADT may not receive alarm signals if communications or power is interrupted for any reason. (E) ADT recommends that I manually test the alarm system monthly and any time I change telephone service, by calling 800.ADT.ASAP or by logging in to www.MyADT.com. (F) This Contract requires final approval by an ADT authorized manager before ADT may provide any equipment or services, and if approval is denied, then this Contract will be terminated, and ADT's only obligation will be to notify me of such termination and refund any amounts I paid in advance.

ADT Representative

Rep. License No. (If Required) Rep. ID No.

Customer's Approval: Original Signature Required (Must match Customer Name in Section 1 above)

[illegible]

NOTICE OF CANCELLATION

I, THE CUSTOMER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT. I ACKNOWLEDGE BEING VERBALLY INFORMED OF MY RIGHT TO CANCEL AT THE TIME OF EXECUTION OF THIS CONTRACT AND RECEIPT OF THIS NOTICE.

Section 2. Services to be Provided

FINANCIAL DISCLOSURE STATEMENT

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

A. NUMBER OF PAYMENTS FOR THE INITIAL TERM IS 36.

B. AMOUNT OF EACH PAYMENT IS \$ 20.11
(TOTAL MONTHLY SERVICE CHARGE FROM BELOW)

TOTAL OF PAYMENTS FOR THE INITIAL TERM IS \$ 125.00
(A. TIMES B.) (EXCLUSIVE OF ANY APPLICABLE TAXES, FEES, FINES
AND RATE INCREASES)

LATE CHARGE - PAYMENT IS DUE PURSUANT TO MY SELECTED BILLING FREQUENCY, PRIOR TO THE START OF SERVICE. MY FIRST BILL/CHARGE WILL BE SENT/MADE SHORTLY AFTER MY SERVICE BEGINS. ADT MAY IMPOSE A ONE-TIME LATE CHARGE ON EACH PAYMENT THAT IS MORE THAN TEN (10) DAYS PAST DUE, UP TO THE MAXIMUM AMOUNT PERMITTED BY LAW, BUT IN NO EVENT WILL THIS AMOUNT EXCEED \$5.00.

PREPAYMENT – IF I PREPAY THE TOTAL OF PAYMENTS PRIOR TO THE END OF THE INITIAL TERM OF THIS CONTRACT, THERE IS NO PENALTY OR REFUND.

SEE PARAGRAPHS 2, 7, 15 AND 19 OF THIS CONTRACT FOR ADDITIONAL INFORMATION ABOUT NONPAYMENT, DEFAULT AND ACCELERATION.

**RESIDENTIAL SERVICES CONTRACT**CONTRACT
DATE

CUSTOMER
ACCOUNT NO

JOB
NO

LEAD
SOURCE

Section 2. Services to be Provided (continued)

	Monthly Service Charge	<input type="radio"/> Initial/Annual Recurring Municipal Fee billed separately (Subject to change based on local law) <input type="radio"/> Customer to obtain and pay for initial/annual municipal alarm use permit. Failure to obtain and provide ADT with the municipal alarm use permit registration number could result in no municipal fire/police response to an alarm from the premises and/or a fine.	Initial/Annual Fee
<input checked="" type="radio"/> Standard Monthly Service, Burglary Service includes: Customer Monitoring Center Signal Receiving and Notification Service for Burglary, Manual Fire and Manual Police Emergency	\$		
<input type="radio"/> Standard Monthly Service, Fire/Smoke Detection Service includes: Customer Monitoring Center Signal Receiving and Notification Service for Fire, Manual Fire and Manual Police Emergency	\$	Municipal Electrical Permit Fee <input type="radio"/> Customer to obtain electrical permit	\$
<input type="radio"/> Carbon Monoxide <input type="radio"/> Flood <input type="radio"/> Low Temp	\$	Installation Price	\$
<input type="radio"/> Medical Alert	\$	Taxable Amount	\$
<input type="radio"/> Safewatch Cellguard®	\$	Non-Taxable Amount	\$
<input type="radio"/> SecurityLink® Two-Way Voice	\$	Connection/Activation Fee	\$
<input checked="" type="radio"/> Extended Limited Warranty/Quality Service Plan (QSP)	\$	Admin Fee	\$
<input type="radio"/> Guard Response Service	\$	Sales Tax on Installation*	\$
<input type="radio"/> Monthly Recurring Municipal Fee (Subject to change based on local law) <input type="radio"/> Customer to obtain and pay for municipal alarm use permit	\$	Total Installation Charge*	\$
		Trip Charge Received	\$
<input checked="" type="radio"/> Other	\$	Deposit Received	\$
Total Monthly Service Charge	\$ 50.00	Balance Due upon Installation*	\$ 3.95

*If applicable sales tax not shown, it will be added to the first invoice, if not collected at the time of installation.

Section 3. Equipment to be Installed

Control Panel	Keypad(s) Door Sensor(s) Window Sensor(s) Motion Detector(s) Glass Break Detector(s) Heat/Smoke Detector(s) Carbon Monoxide Detector(s) Safewatch Cellguard® Model: CCTV Camera ADT Pulse® Lighting Control ADT Pulse Thermostat Control ADT Pulse Appliance Module ADT Pulse Video	Comments
Package Name:		
Includes:		
Foyer		
Living Room		
Family Room		
Office		
Dining Room		
Kitchen		
Laundry Room		
Hallway		
Master Bedroom		
Master Bath		
Bedroom 2		
Bedroom 3		
Bath 2		
Basement		
Garage		
Price Per Piece		
Totals		E = Existing Equipment
Estimated Installation Start Date <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		
NOTES		



RESIDENTIAL SERVICES CONTRACT

CONTRACT
DATE
CUSTOMER
ACCOUNT NO
JOB
NO
LEAD
SOURCE

Section 4. Billing

☐ Check received for: ☐ Installation: Check #

Amount \$

Check Confirmation #

☐ Annual Service Charges Collected: Check #

Amount \$

Check Confirmation #

I authorize ADT:

☐ To withdraw all (i) Service Charges and (ii) Contract Termination Charges (see Paragraph 2. Early Termination of this Contract) from my bank account:

☐ Annually ☐ Semi-Annually ☐ Quarterly ☐ Monthly
Choose one: ☐ Checking ☐ Savings

Name of Bank/Credit Union

ABA Routing Number

Bank Account Number

Recurring Service Charge Amount \$

Plus tax

Name as it appears on bank account

I authorize ADT to debit my bank account for the amount of all Recurring Service Charges and all Contract Termination Charges (see Paragraph 2. Early Termination of this Contract) indicated above. I may revoke this authorization only by notifying ADT and my bank in writing at least 10 business days before the scheduled debit. If no oval is filled above, service charges will be withdrawn monthly.

☐ To charge my credit/debit card for all (i) Service Charges and (ii) Contract Termination Charges (see Paragraph 2. Early Termination of this Contract):

☐ Installation ☐ 3 monthly credit/debit card payments of equal amounts (available only for telephone orders with an installation price over \$400 or field sales with an installation price over \$1,500)

☐ All/Recurring Service Charges

☐ Annually ☐ Semi-Annually ☐ Quarterly ☐ Monthly
☐ VISA ☐ MasterCard ☐ Discover ☐ AMEX

Credit/Debit Card Number

Expiration Date

Recurring Service Charge Amount \$

Plus tax

Cardholder's Name

If I am using a debit card, I authorize ADT to debit my bank account for the amount of all Recurring Service Charges and all Contract Termination Charges (see Paragraph 2. Early Termination of this Contract) indicated above. I may revoke this authorization only by notifying ADT and my bank in writing at least 10 business days before the scheduled debit. If no oval is filled above, my credit/debit card will be charged monthly.

I authorize ADT to withdraw the amounts in this section from my bank account or credit card through an Automated Clearing House ("ACH"). These payments are for the equipment and services described in this Contract. This authorization will remain in effect until the termination date of this Contract or until I cancel it in writing, whichever occurs first. I also agree to notify ADT in writing of any changes in my account information at least 15 days prior to the next billing date. If a payment date falls on a weekend or holiday, payment may be executed on the next business day. Because this is an electronic transaction, these funds may be withdrawn from my account each month as early as the transaction date. If the date or amount of the withdrawal changes, or if Contract Termination Charges (see Paragraph 2. Early Termination of this Contract) apply, ADT will notify me at least 10 days prior to the payment being collected. If an ACH transaction is rejected for non-sufficient funds (NSF), ADT may attempt to process the charge again within 30 days, and an NSF charge may apply. The origination of ACH transactions to my account must comply with the provisions of U.S. law. I am an authorized user of this credit card or bank account, and I will not dispute the payment with my credit card company or bank, so long as the amount corresponds to the terms indicated in this Contract.

☐ To send me a bill: ☐ Annually ☐ Semi-Annually ☐ Quarterly ☐ Other _____ DOA Approval _____ If no oval is filled, ADT will send bill quarterly.

Authorized Account Signature: _____

Section 5. Customer and System Data

Municipality
Police Name
Municipality
Fire Name
Municipality Medical
Responder Name
Patrol Name
& Number

Cross Street

Job Type ☐ New Sale ☐ Change Over ☐ Upgrade ☐ ResaleControl Type ☐ HW ☐ RF

Affiliation

Member #

Permit
Number
Burglar Alarm: ☒ Yes ☐ NoFire / Smoke: ☐ Yes ☒ NoTwo-Way Voice: ☐ Yes ☒ No

Cellular Model:

☐ Parallel ☒ Standard

Resale-Former Acct #

Former CS #

Section 6. Password

This password must be issued to all users of the alarm system, including all people listed in Section 7. An optional, secondary password for service individuals, housekeepers, tenants, etc. is available upon request. A password must be no less than three (3) and no more than five (5) characters in length and may not contain any punctuation or spaces, offensive language or non-standard spelling. Customer may change passwords and contacts by going to www.MyADT.com or by calling ADT toll-free at 800.ADT.ASAP.

Section 7. Emergency Contact List

These are the individuals who may be called in the event of an alarm. Because they may need to meet the authorities in response to an alarm, I will provide them access to my premises, the password, and the keypad code. By selecting the "Yes" designation on the right I am identifying which of these individuals may be called prior to notification of the authorities.

Customer/Emergency Contact #1

Print First/Last Name

Phone

☐ Home☐ Cell☐ Work☒ Yes☐ No

Phone

☐ Home☐ Cell☐ Work☐ Yes☐ No

Customer/Emergency Contact #2

Print First/Last Name

Phone

☐ Home☐ Cell☐ Work☐ Yes☐ No

Phone

☐ Home☐ Cell☐ Work☐ Yes☐ No

Alternate/Emergency Only Contact

Print First/Last Name

Phone

☐ Home☐ Cell☐ Work☐ Yes☐ No

Phone

☐ Home☐ Cell☐ Work☐ Yes☐ No



for ADT's installation of floor mats or wiring; (F) ADT may not be able to conceal any or all equipment or wiring; (G) ADT will not be liable for property damage, personal injury, illness or other loss due to water intrusion, mold, fungi, wet or dry rot or bacteria that may result from the installation services; and (H) my premises complies with all applicable codes, regulations and laws and will continue to comply with all applicable codes, regulations and laws during the initial term and any renewal terms of this Contract.

9. LIMITED WARRANTY. During the first 90 days after installation, ADT will repair or, at its option, replace any defective part of the alarm system, including wiring, and will make required mechanical adjustments, all at no charge to me. ADT will use new or functionally operative parts for replacements. This limited warranty is for my benefit only and may not be enforced by any other person. This limited warranty gives me specific legal rights. The laws of the state where this Contract was signed may also give me additional rights. To order service, call 800.ADT.ASAP (800.238.2727).

10. EXTENDED LIMITED WARRANTY/QUALITY SERVICE PLAN (QSP). If I purchase ADT's Extended Limited Warranty, which is called the Quality Service Plan or QSP, ADT will repair or, at its option, replace any part of the alarm system installed by ADT that requires repair or replacement due to ordinary wear and tear or malfunction, excluding batteries. ADT will use new or functionally operative parts for replacements. If I require services excluded from the QSP (see Paragraph 11 below for exclusions), then ADT will provide the services at its current labor rate for each service call. The QSP and the billing for it will commence on the date the alarm system is installed, operational and communicating with ADT's CMC and will continue for the term of this Contract. The QSP will automatically renew for successive thirty (30)-day terms at ADT's then-current QSP rate unless terminated by either party's written notice at least thirty (30) days before the end of the then-current term. If I purchase the QSP after the initial system installation, the alarm system must be in good working condition at the time I purchase the QSP. To purchase the QSP, call 800.238.7085.

11. WARRANTY EXCLUSIONS. ADT performs warranty services only during normal working hours. IF I REQUEST ADT TO PERFORM WARRANTY SERVICES OUTSIDE NORMAL WORKING HOURS, I WILL PAY FOR THE SERVICES AT ADT'S THEN-CURRENT RATES FOR LABOR AND PARTS. THE LIMITED WARRANTY PROVIDED UNDER THIS CONTRACT AND, IF PURCHASED, THE QSP DO NOT APPLY IF ADT DETERMINES UPON INSPECTION THAT ANY OF THE FOLLOWING CONDITIONS CAUSED THE NEED FOR SERVICE: (A) damage resulting from accidents, theft, Acts of God, natural disasters, labor disputes, war, terrorism, civil strife, electrical surge, alterations or misuse; (B) I fail to properly close or secure a door, window or other point protected by an alarm device; (C) I fail to properly follow the operating instructions; (D) trouble in a telephone line, use of non-traditional telephone line or service (including but not limited to DSL, ADSL, VoIP, digital phone, internet-based phone, cellular, radio, etc.) or due to interruption of power; (E) repairs needed to window foil, security screens, exterior mounted devices (except for outdoor cameras installed by ADT) or PROM (Programmable Read Only Memory); (F) ordinary maintenance or wear and tear (not excluded from QSP); (G) alterations to my premises or failure of my premises to comply with any applicable codes, regulations or laws; or (H) alterations or damage to the alarm system caused by me or by a cause beyond ADT's control. ADT will not perform warranty services on any device not installed by ADT. Battery replacement is excluded from all warranties.

12. NO OTHER WARRANTIES. OTHER THAN THE LIMITED WARRANTY PROVIDED UNDER THIS CONTRACT AND, IF PURCHASED, THE QSP, I AGREE THAT ADT MAKES NO GUARANTEE OR WARRANTY OF ANY KIND, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES ADT PERFORMS OR THE EQUIPMENT IT PROVIDES. MY EXCLUSIVE WARRANTY REMEDY IS SET FORTH IN PARAGRAPHS 9 AND 10 ABOVE. SOME STATES MAY NOT ALLOW THE PARTIES TO A CONTRACT TO LIMIT THE LENGTH OF AN IMPLIED WARRANTY. THE LAWS OF THE STATE WHERE THIS CONTRACT WAS SIGNED WILL DETERMINE WHETHER THESE LIMITATIONS AND EXCLUSIONS APPLY.

13. ALARM MONITORING AND NOTIFICATION SERVICE. If I purchase service that includes response by police, fire department, guard, medical emergency notification or two-way voice monitoring services and such an alarm is received at ADT's CMC, ADT may, at its sole discretion, attempt to contact me and/or anyone on my Emergency Contact List to confirm that the alarm is not false. If ADT does not contact me and/or someone on my Emergency Contact List, or if ADT questions the response it receives upon such contact, then (A) ADT will attempt to notify the appropriate police department or fire department or, (B) if guard response service is provided and an alarm requires police response, ADT will attempt to dispatch a representative to make an investigation of the exterior of the premises from his or her vehicle and, upon evidence of a crime, ADT will attempt to notify the appropriate police department. If ADT provides supervisory alarm or trouble alarm monitoring services (or if such services are actively programmed into the alarm system) and ADT's CMC receives an alarm, then ADT may attempt to notify my premises and/or the representative I designate. ADT may use an automated calling device to deliver such notification. If medical emergency notification services are provided, I agree that the very nature of such services, regardless of any delay, involves uncertainty, risk and possible serious injury, disability or death, for which I will not attempt to hold ADT responsible or liable; that the equipment furnished for medical emergency notification services is not foolproof and may experience signal transmission failures or delays for any number of reasons; and that the actual time required for medical emergency providers to arrive at my premises and/or to transport any person requiring medical attention is unpredictable with many contributing factors, including telephone network operation, distance, weather, road and traffic conditions, alarm equipment function and human factors both within and outside of ADT's control. ADT's performance of, delay in performance of or failure to perform medical emergency notification services under the Contract are subject to and controlled by Paragraph 5 of this Contract. The person(s) identified on my Emergency Contact List are authorized to act on my behalf. I understand that the equipment ADT provides may not operate with other companies' alarm monitoring equipment and may prevent me from using such equipment in the event I terminate my services. I understand that local laws, ordinances or policies may restrict ADT's ability to provide the alarm monitoring and notification services described in this Contract and/or necessitate modified or additional services with additional charges to me. I understand that ADT employs a number of industry-recognized measures to help reduce occurrences of false alarms. These measures include, but are not limited to, implementation of default settings on alarm panels and various procedures at ADT's CMC to determine when and how to respond, if at all, to certain alarm events. I consent to ADT's use of these measures and agree that the alarm system has not been designed, programmed or installed pursuant to any law, code or rule that may be applicable to my particular premises, including, but not limited to, any code provisions of the National Fire Protection Association or the International Residential Code. I understand that, upon receiving notification that an alarm signal has been received by ADT, the police department, fire department or other responding authority may forcibly enter my premises. I understand that ADT will never arrest or detain any person for any reason. I agree that the equipment installed by ADT, including any outdoor camera, is not to be used to monitor activity in or near any swimming pool or other body of water and that I alone am responsible for supervising the well being of any person in or near any swimming pools or other bodies of water on the premises.

14. FAMILIARIZATION PERIOD. UNLESS I HAVE REJECTED THE FAMILIARIZATION PERIOD BY INITIALING THE APPROPRIATE LINE ON THE FIRST PAGE OF THIS CONTRACT (EXCEPT WHERE FAMILIARIZATION IS REQUIRED BY LAW), I AGREE THAT, DURING A SEVEN (7)-DAY FAMILIARIZATION PERIOD, OR LONGER PERIOD IF REQUIRED BY LAW, THAT FOLLOWS COMPLETION OF THE INSTALLATION AND THE COMMUNICATIONS CONNECTION TO ADT'S CMC (AND DURING ANY APPLICABLE EXTENSIONS), ADT HAS NO OBLIGATION TO, AND WILL NOT, RESPOND TO ANY ALARM SIGNAL FROM MY PREMISES. I ALSO AGREE THAT DURING SUCH PERIOD ADT HAS NO OBLIGATION TO, AND WILL NOT, NOTIFY ANY AUTHORITIES, ME OR MY DESIGNATED REPRESENTATIVE OR TAKE ANY OTHER ACTION WITH REGARD TO ANY ALARM SIGNAL ADT RECEIVES, EVEN IF DUE TO AN ACTUAL EMERGENCY.

15. FAILURE TO PAY CHARGES OR HONOR CONTRACT. If I fail to make any payment when due or to honor any other term or condition of this Contract, ADT may stop providing the alarm monitoring and notification services and repossess or disable the equipment without notice. I will grant ADT access to my premises and allow it to repossess or disable the equipment. ADT has no liability if it stops providing the alarm monitoring and notification services and repossesses or disables the equipment. ADT is not required to redecorate or repair my premises as a result of repossessing or disabling the equipment. In addition to these remedies, ADT does not waive, and retains the right to exercise, any other legal remedy, including the right to charge me a late fee for each month that a payment is not received and/or interest on the unpaid amount and the right to report me to one or more consumer reporting agencies if I become delinquent on my account (more than 90 days without a payment).

16. SMOKE AND CARBON MONOXIDE DETECTORS. IF THE ALARM SYSTEM INCLUDES SMOKE AND/OR CARBON MONOXIDE DETECTORS, I AGREE THAT: (A) THE NUMBER AND PLACEMENT OF SUCH DETECTORS MAY NOT FULFILL THE REQUIREMENTS OR RECOMMENDATIONS IN CODES, LAWS OR STANDARDS THAT APPLY IN MY JURISDICTION, INCLUDING THE CODE PROVISIONS OF THE NATIONAL FIRE PROTECTION ASSOCIATION AND THE INTERNATIONAL RESIDENTIAL CODE; (B) I HAVE SOLE RESPONSIBILITY FOR COMPLYING WITH ANY AND ALL CODES, LAWS AND STANDARDS THAT MAY APPLY TO THE INSTALLATION, PLACEMENT AND MAINTENANCE OF THE ALARM SYSTEM; AND (C) ANY SMOKE AND/OR CARBON MONOXIDE DETECTORS DESCRIBED IN THIS CONTRACT ARE SUPPLEMENTAL DEVICES ONLY AND ARE NOT INTENDED TO BE PART OF A PRIMARY FIRE ALARM OR CARBON MONOXIDE DETECTION SYSTEM. I understand that ADT's electrical smoke and carbon monoxide detectors, if installed in my premises, are designed to be connected to an electrical power source. THESE DETECTORS WILL NOT OPERATE, THE ALARM WILL NOT SOUND AND THE ALARM SIGNAL WILL NOT BE TRANSMITTED WHEN: THE ELECTRICITY IS CUT OFF; THE BACK-UP BATTERY, IF INCLUDED AS PART OF THE SYSTEM, IS LOW OR DEAD; OR FIRE CUTS OFF THE ELECTRICITY BEFORE THE ALARM IS ACTIVATED, SOUNDS AND IS TRANSMITTED. Connecting these detectors to a separate dedicated electrical circuit may increase their reliability, but even dedicated circuits can fail. I understand that these detectors all have limited useful lives, after which time they will not function. It is my sole responsibility to monitor and replace all detectors before or at the end of their useful lives.

17. BATTERY-POWERED DEVICES. I understand that all battery-powered motion detectors, smoke detectors, door and window contact transmitters and other detection sensors installed under this Contract are not connected to the electrical system of my premises and 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. It is my sole responsibility to maintain and replace these batteries. ADT recommends that I regularly inspect the sensors for dirt and dust buildup and test the sensors weekly to help maintain continued operation. ADT also recommends that I carefully read and follow the owner's manual, instructions and warnings for all equipment.

18. ALARM SYSTEM COMMUNICATION. I authorize ADT to request service from a telephone, wireless or other communication carrier under this Contract (referred to as "Telephone Company") to transmit signals between my alarm system and ADT's CMC. The Telephone Company's liability is limited to the same extent as ADT's liability in Paragraph 5 of this Contract. ADT will not receive alarm signals when the communication mode is not operating or has been cut, interfered with or is otherwise damaged, or if the alarm system is unable to acquire, transmit or maintain an alarm signal over my communication mode for any reason. If ADT determines in its sole discretion that my communication mode is or later becomes non-compatible, or if I change to another communication mode that is not compatible, then ADT requires that I use an alternate mode of communication acceptable to ADT as the method to connect the alarm system to ADT's CMC. Transmission of fire alarm signals by means other than a traditional telephone line may not be in compliance with applicable fire alarm or other standards or codes, and it is solely my obligation to comply with such standards and codes. If the alarm system has a line-cut

feature, it may not always be able to detect if my communication line is cut or interrupted. ADT recommends that I test the alarm system monthly, even though a successful test of the alarm system does not guarantee that ADT will receive alarm signals from the system in the future.



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19. CANCELLATION.

A. ADT may, at any time, cancel this Contract at its option if: (1) ADT's CMC is destroyed or damaged so that it is impractical for ADT to continue service; (2) ADT cannot acquire or retain the transmission connections or authorization to transmit signals between my premises and its CMC or the applicable fire or police department or other agency, or between ADT's CMC and the applicable fire or police department or other agency; (3) I fail to follow ADT's recommendations to repair or replace any defective parts of the system not covered under the Limited Warranty or, if purchased, QSP; (4) I fail to follow ADT's operating instructions for the alarm system; or (5) ADT determines that it is impractical to continue service due to the modification or alteration of my premises after installation. If ADT cancels for any of the reasons stated immediately above, ADT 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. Additionally, ADT will not assess contract termination charges, if any, as described in Paragraph 2 above.

B. ADT may cancel this Contract upon written notice to me if: (1) I fail to pay any monies when due under this Contract, (2) I change to a telephone/communications service not suitable for alarm signal transmission or (3) I fail to comply with any other term or condition of this Contract. Upon receipt of written notice from ADT, I will have ten (10) days to correct the deficiency. If I do not correct the deficiency in a timely manner, and ADT does cancel this Contract, ADT may assess contract termination charges, if any, as described in Paragraph 2 above.

20. **ASSIGNMENT.** I may not assign this Contract without prior written consent from ADT. ADT does have the right to assign this Contract or to subcontract any of its obligations under this Contract without my approval and without notice to me.

21. **DELAYS.** ADT HAS NO RESPONSIBILITY OR LIABILITY TO ME OR ANY OTHER PERSON FOR DELAYS IN THE INSTALLATION OR REPAIR OF THE SYSTEM, REGARDLESS OF THE REASON. ADT HAS NO RESPONSIBILITY OR LIABILITY FOR INTERRUPTIONS OF SERVICE OR ANY RESULTING CONSEQUENCES, WHETHER DUE TO STRIKE, RIOT, FLOOD, FIRE, TERRORISM, ACT OF GOD OR ANY OTHER CAUSE WITHIN OR BEYOND ADT'S CONTROL. IF THERE ARE SERVICE INTERRUPTIONS, ADT HAS NO OBLIGATION TO SUPPLY ME WITH SUBSTITUTE SERVICES.

22. **ELECTRONIC MEDIA; PERSONAL INFORMATION.** ADT may scan, image or otherwise convert this Contract into an electronic format of any nature. A copy of this Contract produced from such electronic format is legally equivalent to the original for any and all purposes, including litigation. ADT's receipt by fax of the Contract signed by me legally binds me and such fax copy is legally equivalent to the original for any and all purposes, including litigation. The personal information about me and third parties that I provided to ADT is true and complete. I will notify ADT without delay of any change to this information. I consent to ADT's use of my personal information and that of third parties provided by me for the purpose of monitoring, setting up and administering my security services (including credit approval, invoicing, collecting and providing information on new equipment or services). I have obtained the consent of the third parties, whose personal information I provided to ADT, to use such personal information for the administration of my account with ADT and as provided in this Contract. ADT may collect (including my consent to record my telephone conversations with ADT's representatives), use, disclose and transfer my personal information, and that of third parties provided by me, to ADT's parents, affiliates, subsidiaries and successor corporations, any subcontractor or assignee of this Contract or any applicable authority having jurisdiction that requests such information to administer alarm monitoring services or alarm system license, permit or similar programs.

23. **PRIVACY POLICY.** ADT maintains an online privacy policy at www.ADT.com/privacy that is applicable to the terms, conditions and obligations of the parties to this Contract.

24. **ENTIRE AGREEMENT.** THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. I AM NOT RELYING ON ADT'S ADVICE OR ADVERTISEMENTS. ADT IS 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 A CHANGE IS APPROVED IN WRITING BY AN ADT AUTHORIZED REPRESENTATIVE. THE TERMS AND CONDITIONS OF THIS CONTRACT SHALL CONTROL AND GOVERN EVEN IF THERE ARE OTHER DOCUMENTS WITH INCONSISTENT OR ADDITIONAL TERMS AND CONDITIONS. IF A COURT DETERMINES THAT ANY PROVISION OF THIS CONTRACT IS INVALID OR UNENFORCEABLE, THAT PROVISION SHALL BE DEEMED AMENDED AND ENFORCED TO THE MAXIMUM EXTENT PERMITTED BY LAW. EACH AND EVERY OTHER PROVISION OF THIS CONTRACT SHALL CONTINUE TO BE VALID AND ENFORCEABLE.

25. **License Information:** AL Alabama Electronic Security Board of Licensure, 7956 Vaughn Rd., Montgomery 36116, (334) 264-9388; AK 37950, 5520 Lake Otis Pkwy., Anchorage, AK 99507; AR E12-041, Regulated by Arkansas Bd. of Private Investigators & Private Security Agencies, #1 State Police Plaza Dr., Little Rock, AR 72209, (501) 618-8600; AZ ROC 279591; CA ACO7155, alarm company operators are licensed and regulated by the Bureau of Security & Investigative Services, Dept. of Consumer Affairs, Sacramento, CA 95814, 974443, PPO17232; CT ELC.0106069-L5; DC ECS902743; FL EF0001121; GA LVA205265, -205326, -205572, -205679, -205878, LVU405673, -004349; HI CT-32297; ID ELE-SC-2643; IL 124001792; LA F1639, F1640, F1643, F1654, F1655; MA 172C; MI 3601206258, 5103208 - 4182 Pier North Dr. Ste. D, Flint, MI 48504; MN TS850251; NC 7535P2, 7561P2, 7562P10, 7563P7, 7565P1, 7566P9 - Alarm Systems Licensing Bd., 4901 Glenwood Ave, Ste. 200, Raleigh, 27612 (919) 788-5320; NM 374838; NV 0077105; NJ Electrical Contractor Lic. #'s 34FA00140500, 34BA00179000, 7895 Browning Rd., Pennsauken, NJ 08109; NY 12000305615, Licensed by NYS Dept. of State; OH 50-18-0018, 50-25-0023, 50-29-0003, 50-31-0014, 50-48-0008, 50-50-0005, 50-76-0006, 50-89-0016, 53-89-1726; OK 1995; OR 196560; PA Pennsylvania Home Improvement Contractor Registration Number: PA090797; RI 35683; TN ACC-1688, -1689, -1690, -1691, -1692, -1693, -1694, -1695, -1696; TX B17944 -140 Heimer Rd. Ste. 100, San Antonio, TX 78232 - Texas Private Security Bureau, 5805 N. Lamar Blvd., Austin 78752; UT 8289653; VA 11-7345, 11-7348, 11-7351, 11-7354, 11-7598, 11-7900, 11-8205, 2705147728 Class B Contractor Classification ESC; WA ADTLL881DO, 11824 N Creek Pkwy #105, Bothell, WA 98011; WI 1210943; WV 049758.

MS 15019511

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1. Payments; Term; Consumer Report
2. Early Termination of this Contract
3. Increases in Charges
4. Additional Charges and Offset Rights
5. Limitation of Liability
6. Other Party's Limitation
7. Ownership
8. Installation
9. Limited Warranty
10. Extended Limited Warranty/Quality Service Plan (QSP)

11. Warranty Exclusions
12. No Other Warranties
13. Alarm Monitoring and Notification Service
14. Familiarization Period
15. Failure to Pay Charges or Honor Contract
16. Smoke and Carbon Monoxide Detectors
17. Battery-Powered Devices
18. Alarm System Communication
19. Cancellation
20. Assignment
21. Delays

22. Electronic Media; Personal Information
23. Privacy Policy
24. Entire Agreement
25. License Information

1. PAYMENTS; TERM; CONSUMER REPORT. All charges are payable in advance. The initial term of this Contract is three (3) years. ADT's alarm monitoring and notification services will begin when the equipment is installed, operational and communicating with ADT's Customer Monitoring Center ("CMC"). This Contract will automatically renew for successive thirty (30)-day terms unless terminated by either party at least thirty (30) days before the end of the current term. If terminated, this Contract ends on the last day of the then-current term. I may terminate my service by calling ADT at 800.327.4348. Alternatively, I may send my request to terminate to ADT in writing. I authorize ADT to obtain a non-investigative consumer report, commonly referred to as a credit check or credit report, about me from a consumer reporting agency at any time during the term.

2. EARLY TERMINATION OF THIS CONTRACT. I AGREE THAT THE CHARGES DUE UNDER THIS CONTRACT ARE BASED ON MY AGREEMENT TO RECEIVE AND PAY FOR THE SERVICES FOR THREE (3) FULL YEARS AND THAT ADT HAS RELIED UPON MY AGREEMENT AND HAS INCURRED COSTS IN DECIDING TO ENTER INTO THIS CONTRACT. IF I CANCEL SERVICE OR OTHERWISE TERMINATE THIS CONTRACT DURING ITS INITIAL TERM, OR IF ADT CANCELS THIS CONTRACT DURING ITS INITIAL TERM FOR A REASON SET FORTH IN PARAGRAPH 19(B) BELOW, I WILL PAY ADT 75% OF THE TOTAL REMAINING MONTHLY CHARGES AS AN ALTERNATIVE TO ME HAVING TO PAY THE FULL REMAINING CHARGES. THIS AMOUNT IS A CONTRACT TERMINATION CHARGE AND IS NOT A PENALTY. THE AMOUNT IS PAYABLE IMMEDIATELY IN FULL. NO CONTRACT TERMINATION CHARGES ARE DUE IF I TERMINATE, OR IF ADT CANCELS, DURING THE THIRTY (30)-DAY RENEWAL PERIOD(S).

3. INCREASES IN CHARGES. ADT has the right to increase the annual service charge at any time after the first year. If I object in writing to the increase within thirty (30) days of receiving notice of the increase, and if ADT does not waive the increase, then I may terminate this Contract effective thirty (30) days after ADT's receipt of my written notice of termination. In this situation, I will not have to pay the contract termination charges described in Paragraph 2 above.

4. ADDITIONAL CHARGES AND OFFSET RIGHTS. I agree to pay all construction/alarm use permit fees; all directly or indirectly imposed false alarm fines, fees or charges; all telephone or signal transmission company charges; and all other assessments, fees and charges related to the alarm system. I agree to pay a service charge if an ADT representative responds to a service call or alarm at my premises because I 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. If ADT owes me money when this Contract ends, ADT has the right to deduct from any refund owed me (A) service charges for thirty (30) days, if I fail to give the required written termination notice set forth in Paragraph 1 above; (B) any contract termination charges that I may owe as set forth in Paragraph 2 above; and (C) any other additional charges, amounts or deposits that I owe ADT. If the amount of the deduction equals or exceeds the amount that ADT owes me or if ADT owes me a credit of five dollars (\$5.00) or less, ADT will not be obligated to refund any amounts to me.

5. LIMITATION OF LIABILITY.

A. INSURANCE; WAIVER OF SUBROGATION. I AGREE THAT ADT IS NOT AN INSURER AND THAT ADT IS NOT PROVIDING ME WITH INSURANCE OF ANY TYPE. THE AMOUNTS I PAY ADT ARE NOT INSURANCE PREMIUMS AND ARE NOT RELATED TO THE VALUE OF MY PROPERTY, ANYONE ELSE'S PROPERTY LOCATED IN MY PREMISES OR ANY RISK OF LOSS AT MY PREMISES. INSTEAD, THE AMOUNTS ADT CHARGES ME ARE BASED SOLELY UPON THE VALUE OF THE EQUIPMENT AND SERVICES ADT PROVIDES AND UPON THE LIMITED LIABILITY ADT ASSUMES UNDER THIS CONTRACT. IF I WANT INSURANCE TO PROTECT AGAINST ANY RISK OF LOSS AT MY PREMISES, I WILL PURCHASE IT. IN THE EVENT OF ANY LOSS, DAMAGE OR INJURY, I WILL LOOK EXCLUSIVELY TO MY INSURER AND NOT TO ADT TO COMPENSATE ME OR ANYONE ELSE. I RELEASE AND WAIVE FOR MYSELF AND MY INSURER ALL SUBROGATION AND OTHER RIGHTS TO RECOVER AGAINST ADT ARISING AS A RESULT OF THE PAYMENT OF ANY CLAIM FOR LOSS, DAMAGE OR INJURY.

B. NO GUARANTEE; NO LIABILITY. ADT'S EQUIPMENT AND SERVICES DO NOT CAUSE AND CANNOT ELIMINATE OCCURRENCES OF THE EVENTS THEY ARE INTENDED TO DETECT OR AVERT, INCLUDING, BUT NOT LIMITED TO, FIRES, FLOODS, BURGLARIES, ROBBERIES AND MEDICAL PROBLEMS. OTHER THAN THE LIMITED WARRANTY AND/OR QUALITY SERVICE PLAN SET FORTH IN PARAGRAPHS 9 AND 10 BELOW, ADT MAKES NO GUARANTEE OR WARRANTY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT THE EQUIPMENT AND SERVICES PROVIDED WILL DETECT OR AVERT SUCH INCIDENTS OR THEIR CONSEQUENCES. ADT DOES NOT UNDERTAKE ANY RISK THAT I OR MY PROPERTY, OR THE PERSON OR PROPERTY OF OTHERS, MAY BE SUBJECT TO INJURY OR LOSS IF SUCH AN EVENT OCCURS. THE ALLOCATION OF SUCH RISK REMAINS WITH ME, NOT ADT. I RELEASE, WAIVE, DISCHARGE AND PROMISE NOT TO SUE OR BRING ANY CLAIM OF ANY TYPE AGAINST ADT FOR LOSS, DAMAGE OR INJURY RELATING IN ANY WAY TO THE EQUIPMENT OR SERVICES PROVIDED BY ADT.

C. EXCLUSIVE REMEDY. IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO DETERMINE THE ACTUAL DAMAGES, IF ANY, THAT MAY RESULT FROM A FAILURE BY ADT TO PERFORM ANY OF ITS OBLIGATIONS. UNDER NO CIRCUMSTANCES WILL I ATTEMPT TO HOLD ADT LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR PERSONAL INJURY OR DAMAGES TO PROPERTY. IF, NOTWITHSTANDING THE PROVISIONS OF THIS PARAGRAPH 5, ADT IS FOUND LIABLE FOR LOSS, DAMAGE OR INJURY UNDER ANY LEGAL THEORY RELATING IN ANY WAY TO THE SERVICES AND/OR EQUIPMENT PROVIDED BY ADT, ADT'S LIABILITY TO ME SHALL BE LIMITED TO A SUM EQUAL TO 10% OF THE ANNUAL SERVICE CHARGE OR \$500, WHICHEVER IS GREATER. THIS AGREED-UPON AMOUNT IS NOT A PENALTY. RATHER, IT IS MY SOLE REMEDY. UPON MY REQUEST, ADT MAY AGREE TO ASSUME LIABILITY BEYOND WHAT IS PROVIDED FOR IN THIS PARAGRAPH 5 BY ATTACHING AN AMENDMENT TO THIS CONTRACT SETTING FORTH THE EXTENT OF ADT'S LIABILITY AND THE ADDITIONAL CHARGES TO ME.

D. APPLICATION. THE PROVISIONS OF THIS PARAGRAPH 5 APPLY NO MATTER HOW THE LOSS, DAMAGE, INJURY OR OTHER CONSEQUENCE OCCURS, EVEN IF DUE TO THE PERFORMANCE OR NONPERFORMANCE BY ADT OF ITS OBLIGATIONS UNDER THIS CONTRACT OR FROM NEGLIGENCE (ACTIVE OR OTHERWISE), STRICT LIABILITY, VIOLATION OF ANY APPLICABLE CONSUMER PROTECTION LAW OR ANY OTHER THEORY OF LIABILITY OR ALLEGED FAULT ON THE PART OF ADT, ITS AGENTS OR ITS EMPLOYEES.

E. INDEMNITY. IF ANY OTHER PERSON, INCLUDING MY SUBROGATING INSURER, MAKES ANY CLAIM OR FILES ANY LAWSUIT AGAINST ADT IN ANY WAY RELATED TO THE EQUIPMENT OR SERVICES PROVIDED BY ADT TO ME, I AGREE TO INDEMNIFY, DEFEND AND HOLD ADT HARMLESS FROM ANY AND ALL SUCH CLAIMS AND LAWSUITS, INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS AND ATTORNEYS' FEES. MY DUTY TO DEFEND IS SEPARATE AND DISTINCT FROM MY DUTY TO INDEMNIFY AND HOLD HARMLESS AND ARISES UPON THE ASSERTION OF A CLAIM OR DEMAND AGAINST ADT AND REGARDLESS WHETHER ADT HAS BEEN FOUND LIABLE OR WHETHER ADT HAS INCURRED ANY EXPENSE.

F. TIME TO BRING CLAIM OR SUIT. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST ADT MORE THAN ONE (1) YEAR AFTER THE DATE OF THE INCIDENT THAT RESULTED IN THE LOSS, INJURY OR DAMAGE, OR THE SHORTEST DURATION PERMITTED UNDER APPLICABLE LAW IF GREATER THAN ONE (1) YEAR.

G. BENEFIT TO OTHERS. THE PROVISIONS OF THIS PARAGRAPH 5 SHALL APPLY TO AND BENEFIT ADT AND ITS AGENTS, EMPLOYEES, CONTRACTORS, SUBSIDIARIES, DEALERS, AFFILIATES, PARENTS (BOTH DIRECT AND INDIRECT), AFFINITY MARKETERS AND OTHER PARTNERS.

6. OTHER PARTY'S LIMITATION. IF I PURCHASED EQUIPMENT OR SERVICES FROM ADT THROUGH ANOTHER BUSINESS OR PERSON, OR FROM ADT THROUGH A REFERRAL FROM ANOTHER BUSINESS OR PERSON, I AGREE THAT SUCH OTHER BUSINESS OR PERSON ACTS SOLELY AS AN INDEPENDENT CONTRACTOR AND HAS NO RESPONSIBILITY OR LIABILITY TO ME FOR THE PERFORMANCE OR NONPERFORMANCE OF THE EQUIPMENT OR SERVICES PROVIDED BY ADT. I ALSO AGREE THAT ANY SUCH BUSINESS OR PERSON IS ENTITLED TO THE SAME RIGHTS AS ADT UNDER THIS CONTRACT, INCLUDING PARAGRAPH 5.

7. OWNERSHIP. All equipment installed by ADT pursuant to this Contract shall be owned by ADT unless ADT has agreed to give me ownership of the equipment in a separate written agreement. If there is existing, previously-installed equipment and it is my property, it shall remain my property. If any equipment is owned by ADT, ADT has the right upon termination of this Contract to remove, disable or abandon all or any of the equipment owned by ADT. If any equipment is disabled or removed by ADT, I understand that I will not be able to use the equipment for any purpose. I will provide ADT access to ADT-owned equipment for removal, and ADT will have no obligation to repair or redecorate my premises after any such removal. I agree to pay any unpaid charges that I owe, even if ADT removes ADT-owned equipment. All ADT yard signs and window stickers provided to me at any time will remain the property of ADT and may be removed by ADT. If applicable, ADT will attempt to connect the existing, previously-installed alarm system to ADT's monitoring center. Prior to connection, ADT has the right to inspect my system and my premises to determine eligibility for Extended Limited Warranty/QSP coverage and may notify me of any required repair/replacement costs related to the existing alarm system, device(s) or connection. If I decline to pay such repair/replacement costs, ADT is not obligated to connect to the existing alarm system and may terminate this Contract without liability to ADT. If the existing alarm system is connected to ADT's monitoring center, ADT will have no liability for the maintenance, operation, non-operation, actuation, non-actuation or erroneous actuation of the existing alarm system, connection or device(s), and any repairs will be performed on a time and material basis by ADT, subject to available parts, except for repairs/replacements covered by Extended Limited Warranty/QSP coverage if such coverage is provided under this Contract.

8. INSTALLATION. In order for ADT to install and service the equipment listed on the second page of this Contract, I agree that: (A) I own the premises or have authority to authorize ADT to install the alarm equipment at the premises; (B) I will make the premises available without interruption during ADT's normal working hours and will maintain the premises in a safe and sanitary condition suitable for work to be performed by ADT's representatives without jeopardizing their health or safety; (C) the installation will require drilling into various walls and other parts of the premises; (D) I will provide ADT with 110 AC electrical outlets for power equipment in locations designated by ADT; (E) I will make arrangements for lifting and replacing carpeting, if required,

Terms and Conditions continue on accompanying sheets.

JS 44 (Rev. 12/12) (Modified by FLSD - April 29, 2013)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.) **NOTICE: Attorneys MUST Indicate All Re-filed Cases Below.**

I. (a) PLAINTIFFS Santiago L. Hernandez**DEFENDANTS**The ADT Corporation, a Delaware corporation,
and ADT LLC d/b/a ADT SECURITY SERVICES**(b)** County of Residence of First Listed Plaintiff Miami-Dade
(EXCEPT IN U.S. PLAINTIFF CASES)County of Residence of First Listed Defendant Palm Beach
(IN U.S. PLAINTIFF CASES ONLY)NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.**(c)** Attorneys (Firm Name, Address, and Telephone Number)

Attorneys (If Known)

Jonathan M. Stein, Esq., Saxena White, P.A., 5200 Town Center Cir.
#601, Boca Raton, FL 33486; (561) 394-3399**(d)** Check County Where Action Arose: ☐ MIAMI-DADE ☐ MONROE ☐ BROWARD ☒ PALM BEACH ☐ MARTIN ☐ ST. LUCIE ☐ INDIAN RIVER ☐ OKEECHOBEE ☐ HIGHLANDS**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question
(U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- (For Diversity Cases Only)
- | | | | |
|---|---|----------------------------|---------------------------------------|
| PTF | DEF | PTF | DEF |
| <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | <input type="checkbox"/> 4 | <input checked="" type="checkbox"/> 4 |
| Citizen of This State | Incorporated or Principal Place of Business In This State | | |
| <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen of Another State | Incorporated and Principal Place of Business In Another State | | |
| <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |
| Citizen or Subject of a Foreign Country | Foreign Nation | | |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Med. Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence Other: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN

- (Place an "X" in One Box Only)
- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Re-filed (See VI below) ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation ☐ 7 Appeal to District Judge from Magistrate Judgment ☐ 8 Remanded from Appellate Court

VI. RELATED/ RE-FILED CASE(S)a) Re-filed Case ☐ YES ☒ NO b) Related Cases ☐ YES ☒ NO

(See instructions):

JUDGE

DOCKET NUMBER

VII. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing and Write a Brief Statement of Cause (Do not cite jurisdictional statutes unless diversity):

28 U.S.C. §1332(d)(2) and Fla. Stat. §501.201, §501.202; §501.203; §501.204; §501.211; §501.2105
LENGTH OF TRIAL via days estimated (for both sides to try entire case)**VIII. REQUESTED IN COMPLAINT:**☒ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23**DEMAND \$**

CHECK YES only if demanded in complaint:

JURY DEMAND: ☒ Yes ☐ No

ABOVE INFORMATION IS TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE

DATE

SIGNATURE OF ATTORNEY OF RECORD

March 7, 2016

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

IFP

JUDGE

MAG JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44**Authority For Civil Cover Sheet**

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Refiled (3) Attach copy of Order for Dismissal of Previous case. Also complete VI.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

Remanded from Appellate Court. (8) Check this box if remanded from Appellate Court.

VI. Related/Refiled Cases. This section of the JS 44 is used to reference related pending cases or re-filed cases. Insert the docket numbers and the corresponding judges name for such cases.

VII. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.**

Example: U.S. Civil Statute: 47 USC 553

Brief Description: Unauthorized reception of cable service

VIII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

Date and Attorney Signature. Date and sign the civil cover sheet.

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. _____

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*: _____

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. _____

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*: _____

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc: