

<u>WHY</u> YOU SHOULD TERMINATE THAT ENDLESS EXPENSIVE ALARM MONITORING CONTRACT.

There is no such thing as a free lunch, or a free security system, either. You may have paid little or nothing up front for your new burglar alarm, but for the next three-to-five years you'll be paying plenty.

The Alarm Company doesn't get the equipment they put in your business or home for free. They also have to pay the salesman who sold you the system and the installer. They have office overhead—manager and secretary salaries, phone, rent, lights, heating, vehicles, debt service, computers, etc.—and they can't put any of these expenses off for three years. They, like any business, have to make a profit. Alarm companies don't scare off burglars just for the fun of it.

That is why they want you to sign that five (or four or three) year contract. It is so they can get the actual cost of the system plus overhead plus profit out of you. They plan on keeping you as a customer for at least another three years or more. The average is seven years.

The Massive Alarm Companies (big MAC's as I like to call them) charge anywhere from \$33 to \$42 per month for the 24 hour monitoring of your system. Check out the table below to calculate what you pay, in the long run:

Contract Length	\$33 per month	\$35 per month	\$37 per month	\$42 per month
36 months	\$1,188.00	\$1,260.00	\$1,332.00	\$1,512.00
48 months	\$1,584.00	\$1,680.00	\$1,776.00	\$2,016.00
60 months	\$1,980.00	\$2,100.00	\$2,220.00	\$2,520.00

Table No. 1 Monitoring costs during first period

That's a big pill to swallow, and it just keeps getting bigger, because after the initial three years, if you want to keep your system operating and monitored, you'll have to keep paying that \$35 every month.

Here are some facts that most alarm buyers do not take into account:

- 1. **OWNERSHIP.** You most likely don't "own" that *free* system. It is leased and belongs to the alarm company and therefore...
- 2. **REMOVE OR DISABLE.** The alarm company very likely has the right to repossess and remove the equipment or disable it if you terminate the contract

- 3. **RENEWAL CLAUSE**. Every monitoring agreement has a paragraph essentially stating that ...this Agreement shall automatically renew itself for the same period at the current rate unless either party shall notify the other in writing of its intention to terminate not less than 30 days prior to the expiration of the original term or any renewal period thereof. So if you signed up for five years the contract will renew every five years for another five years, forever, unless you take action in time.
- 4. **FEE INCREASES**. Here's another little goodie most alarm customers don't know about: *Monitoring charges shall be reviewed semi-annually and adjustments may be made, upon the giving of thirty (30) days written notice*. That means your rate could go up every six months. It usually doesn't, but it could.
- 5. **YOU WILL BE EXPECTED** to make monitoring payments as long as the contract is in force, even if you move or go out of business. The MAC's are still going to want their monthly payment even if you have two years left and aren't even using the alarm system.

Those fees are artificially high to pay for the "free" system over the three-year contract, but after that, the fees don't come down and they may even go up. Do you really want to keep paying those high monthly monitoring fees forever? Even after the system is long paid for?

Here's what you are going to spend after the initial term, if you don't cancel:

Monthly Fee	Six Years	Nine Years	Twelve Years	Fifteen Years
\$33	\$2,376.00	\$3,564.00	\$4,752.00	\$5,840.00
\$35	\$2,520.00	\$3,780.00	\$5,040.00	\$6,300.00
\$37	\$2,664.00	\$3,996.00	\$5,328.00	\$6,660.00

Table No. 2 Monitoring costs

Now here's a table showing how much you can save on monitoring if you go with the Simple Security Inc. program, where you purchase the Starter System up front for \$350 (or \$150 for a swap-out) and then pay lower basic monitoring fees of \$20 per month:

MAC – SSI=	6 Year Savings	9 Year Savings	12 Yr. Savings	15 Yr Savings
33 - 20 = \$13	\$936.00	\$1,404.00	\$1,872.00	\$2,340.00
35 - 20 = \$15	\$1,080.00	\$1,620.00	\$2,160.00	\$2,700.00
37 - 20 = \$17	\$1,224.00	\$1,836.00	\$2,448.00	\$3,060.00

Table No. 3 Savings over time

These are good reasons not to continue with the big MAC's beyond the initial term, or at all. If you desire an alarm system then consider paying more for the system up

front and owning it. You will save mightily on the monthly monitoring in the years to come.

If you are in a long-term contract already you might consider getting out from under it. It is not difficult. See the steps below:

HOW TO GET OUT OF THAT ENDLESS EXPENSIVE MONITORING CONTRACT

- 1. Find your *Monitoring Agreement* and write down the date you signed it.
- 2. Find the *Renewal Clause* in the contract and write down how many days prior to the *Renewal Date* you must notify the *Alarm Company*. Usually it is 30 days.
- 3. At least six weeks prior to the *Renewal Date* you will send a letter informing the *Alarm Company* that you wish to terminate the *Monitoring Agreement*. You do not have to give them a reason. Send it on business stationery, (if a business) and send it *Return Receipt Requested*, so you have proof they received it. **VERY IMPORTANT** File this proof away with the copy of your letter.
- 4. Even if you are unsure of the Renewal Date, send the letter anyway.

 Don't delay. Your letter of termination could be sent any time prior to the deadline. You could send it the week after the alarm system is installed.
- 5. If time is short use one of those overnight delivery services or take it to the local Alarm Company office in person and have them date/stamp and sign a copy of the letter for you. This will save you thousands of dollars.



Give Simple Security Inc. a call, if you want help with the cancellation process, and especially if you are looking for an excellent alarm company to monitor and service your system.