

ACTIVATION AND SERVICE AGREEMENT

WHEREAS, HILTON DEVELOPMENT GROUP, INC (HDG) an Illinois Corporation, having offices at 10N532 Manchester Lane, Elgin, Illinois, 60124 is a HDG of Software and Services for the sole purpose of communicating with remote wireless devices.

WHEREAS, You (USER) wishes to receive the Service (hereinafter defined) as it is provided by HDG.

NOW, THEREFORE, HDG and USER agree as follows:

1. **SERVICE**

HDG shall provide the Service to USER on the terms and conditions provided herein. The "Service" shall mean the web based software provided by HDG for use by USER to interact with User's SYSTEM. USER will be required to purchase and install wireless devices that are compatible with the Service as defined in Section 2.

2. **SYSTEM**

The SYSTEM shall mean the wireless device and/or accessories purchased by the USER for specific use on the SERVICE. The USER must purchase a self-installed portable alarm and locator device (the "System") at retail and desire to activate the System. USER understands that the System is intended only for commercial purposes solely to assist in locating personal property and not a person. USER acknowledges the System may not be used for any other purpose and agrees not to use the System for any other purpose. USER understands and acknowledges that if the USER fails to properly install and activate the System and all accessories thereto it may result in the failure of the System or such accessory to function properly, locate USERS personal property or give notice that an alarm has been triggered. USER will be solely responsible for any loss associated with the failure to install USER'S System correctly

3. **TERM AND TERMINATION**

This Agreement will remain in effect from the date the USER acknowledges the Agreement by using the SERVICE and activating any device on the SERVICE until such time as either HDG or USER terminates this Agreement upon (30) days' prior written notice. Upon termination USER agrees to pay any balance due within (30) days of the written notice to terminate.

4. **WHAT YOU MUST DO TO ACTIVATE THE SYSTEM**

USER acknowledges that it is USER's responsibility to provide basic information about USER System to HDG to permit HDG to activate USER System. USER further acknowledges that the Service provided hereunder shall be governed by the terms of this Agreement notwithstanding delivery of an executed copy of this Agreement from USER to HDG.; however, USER understands that HDG must receive this signed Agreement, the activation fee and the monthly service fees as published on HDGs website (the "Fees"), and that USER must test the System, including signal strength, proper notification and all other services PRIOR TO USE. Failure to complete any of the above steps may result in USER'S System not being activated or working as intended. USER is allowed to activate USER'S System over the phone or website, and therefore, USER must return this signed Agreement to HDG or have accepted its terms electronically. USER ACKNOWLEDGES AND AGREE THAT USER MAY NOT RECEIVE A COPY OF THIS AGREEMENT SIGNED BY HDG, AND SUCH LACK OF RECEIPT SHALL NOT, IN ANYWAY, INVALIDATE OR OTHERWISE AFFECT THIS AGREEMENT.

5. **ACTIVATION FEES/WHEN PAYMENT IS DUE/TERMINATION**

USER acknowledges that USER will be responsible for all Fees and other expenses, if any, and that USER must pay HDG the Fees during the Term. Some Fees are non-refundable and additional Fees may be charged during the Term for enhanced renewal services. Schedules of the Fees are published on the HDG website, and such list is updated from time to time. Such Fees may increase at any time for any reason upon notice to USER. At activation, USERS are required to provide a valid credit card number, which USER authorizes HDG to keep on record. USER further authorizes HDG to charge this card for any and all monthly fees, one time fees such as purchase of locates, or in the event any of USER'S monthly charges are past due. USER commits initially for a one (1) month term, which shall continue month to month thereafter unless USER or HDG gives via e-mail, telephone, or other reasonable method, notice to the other of its intention terminate this Agreement. This Agreement shall remain in effect until USER or HDG terminate this agreement. No refunds will be given for any partial month. Failure by USER to give notice of USER'S intention not to renew shall constitute automatic renewal of this Agreement for such period and shall obligate USER to pay the applicable Fees for the next period. In the event HDG does not receive payment when due for any reason, or at any time USER'S credit card is no longer valid, HDG shall be permitted to terminate this Agreement and discontinue or disrupt service of USER'S System. This Agreement and HDGs services shall terminate on the date fixed in HDGs notice of termination or disruption. Upon such termination or disruption, USER agrees and hereby releases HDG from any and all liability whatsoever, including negligence to any degree of HDG arising out of this Agreement, the relation of the Parties or the HDG services. HDG'S notice of termination shall be given via e-mail, verbal or other reasonable means. In the event USER terminates service either by notice to HDG or by reason of non-payment, USER may reactivate the service at any time during a period of sixty (60) days following such termination of service upon payment of an additional reactivation fee of \$20.00. In the event USER wishes to reactivate USER'S System at any time after the (60) day period from termination or disruption, USER will be required to (i) establish new service at the then current rates and (ii) pay a provisioning

fee based on the then current price. In the event that USER wishes to suspend service for any period of time, USER will notify MOBILELOCK customer service. Upon notification USER's account will be moved to a "standby" mode in which the unit is inoperable and USER will be charged \$5.00 per month during the inactive period. When the USER wishes to reactivate the system the USER will contact MOBILELOCK customer service to change the status.

6. HOW YOUR SYSTEM WORKS/LOCATE SERVICE

USER's self-installed system sends a signal using cellular phone technology to a decoder if the alarm is triggered. USER's System also has a GPS locator system that will assist USER in tracking USER's System and the personal property to which the System is properly attached thereto. The locate function helps to locate the System, and therefore must be properly attached to the asset to help locate the asset. If the System is removed from the asset, it will not locate the asset. USER AGREES THAT THE SYSTEM WILL NOT BE USED FOR ANY ILLEGAL ACTIVITY, INCLUDING, BUT NOT LIMITED TO, TRACKING INDIVIDUALS OR ANY PERSONS. This decoder will attempt to send, without verification of receipt: an email to one or more ISP accounts or e-mail enabled devices such as a pager or cell phone or send an automated phone call to a telephone number of USER's choice (the "Designated Contact"). This message will only alert the Designated Contact that USER's System alarm has been triggered. USER will be required to determine independently in USER's absolute discretion whether the police or other authorities should respond to the alarm. HDG will not notify the authorities for USER. USER will be responsible to log on to the designated website and locate USER's System. USER acknowledge and agree that: (a) the transmission and receipt of data may be interrupted or compromised; (b) the service is not supervised (i.e., if data is not transmitted or received, there is no notice to anyone of this fact) nor is there confirmation of receipt of transmission; (c) HDG will not have access to USER's data, but will only be able to offer technical service regarding how to use the website functions, and (d) the GPS locator operates to detect the location of the System and if the System is removed or improperly installed, USER may not be able to retrieve any lost or stolen personal property and the System does not guarantee any such loss will not occur. Accuracy of the locate function is dependent (i) on cellular strength and (ii) the location of the System and asset. The locate function may not work if the System is located outside of the third party network. USER hereby authorizes and gives consent to the sharing of confidential information by HDG with any network, including their affiliates, as deemed reasonable by HDG for the purpose of customer service.

7. STATE LAWS

There may be local and state laws that require USER to obtain a license or permit to use and/or to register USER's System and notify the local or state authorities that USER are using the System at USER's location. USER agree that it is USER's sole responsibility to be in compliance with all state, federal, and local laws, rules, ordinances, mandates, procedures, and the like that may be imposed upon USER by any and all federal, state, municipal or any authority having jurisdiction regarding the installation, maintenance, and/or dispatching mandates imposed by the aforementioned. USER agrees to use USER's System to its full capability at all times, to test the System at least monthly and to notify HDG whenever the System is not functioning. USER understands that HDG will rely upon USER's actions.

8. FALSE ALARMS/OTHER FEES

USER agrees that false alarm assessments, taxes, fees, permit fees or like charges (together, the "False Alarm Fees") may be imposed by local government bodies or other organizations due to any audible alarm from the System. In the event that any False Alarm Fee is assessed against USER or HDG for false alarms, permits, failure to meet compliance standards or any other like charge originating from USER's premises, USER will pay such charges immediately, and HDG shall have no liability with respect to such False Alarm Fees.

9. USE OF THIRD PARTY TELECOMMUNICATION SYSTEMS

USER acknowledges that signals which are transmitted over telephone lines, air waves, and/or other modes of communication pass through communication networks wholly beyond the control of HDG and are not maintained by HDG and therefore, HDG shall not be responsible for any equipment failure which prevents transmission signals from reaching the decoder, the System or USER's Designated Contact or for any damages arising therefrom. HDG SHALL NOT BE LIABLE FOR DAMAGES RESULTING FROM ACTS OF GOD, FIRE, WAR, RIOTS, GOVERNMENT AUTHORITIES, AND CHANGES IN TECHNOLOGY, DISRUPTION OR LOSS OF SERVICE, APPLICATION OF FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS, CARRIER OR THIRD-PARTY RELATED ISSUES OR CONDITIONS OR CAUSES BEYOND HDG's CONTROL. It is important that USER test the signal strength to USER's System when USER changes its physical location and that USER be aware of the signal strength to USER's Designated Contacts, where applicable. HDG is not responsible for the System's failure to operate due to lack of signal strength to the System or USER's Designated Contact. USER agrees to test USER's System at least monthly and to service and maintain the System regularly to secure accurate transmission to the decoder. In the event that USER is using a cellular or mobile device as USER's Designated Contact and are in a roaming or extended service area, USER's carrier may delay USER's alarm message and such delay or any loss arising therefrom is not the responsibility of HDG.

10. THE SYSTEM AND SERVICES ARE NOT A SUBSTITUTION FOR INSURANCE

USER agrees that HDG is not an insurer and that no insurance coverage is offered herein. Payments by USER are for System activation to notify USER of alarm signals as set forth in Section 5 and are designed to deter certain risks of loss, though there are no guarantees that the System or System activation will reduce such risks or that no loss will occur. HDG is not assuming responsibility and therefore shall not be liable to USER for any loss or damage suffered by USER as a result of burglary, hold-up, equipment failure, or HDGs negligent performance or failure to perform any obligations. USER shall maintain USER's own insurance on USER's assets.

HDG SELLS SERVICES UNDER THIS AGREEMENT, NOT GOODS. HDG DOES NOT MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND OR ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS THAT THE SERVICES PROVIDED HEREUNDER AND PERFORMED BY IT WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. HDG MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE OR OF MERCHANTABILITY.

11. LIMITATION OF LIABILITY

USER agrees that the System and System activation are not designed or guaranteed to prevent loss by burglary, hold-up, acts of third parties or any other loss. If notwithstanding the terms of this Agreement should there arise any liability on the part of HDG as a result of its negligence to any degree or its failure to perform any obligation, or a failure of the System or services, such liability shall be limited to \$150.00, and this shall be USER's only remedy regardless of what legal theory is used to determine HDG was liable for the injury or loss.

12. IDEMNIFICATION

USER agrees to defend (with attorneys selected by HDG), indemnify and hold HDG harmless from and against all claims, lawsuits and losses (including reasonable attorneys fees) alleged to be caused by HDG's or its subcontractor's negligent performance to any degree, its failure to perform, or a failure of the System or services, under this Agreement. This indemnity applies to claims by USER's employees, claims for subrogation, contribution and indemnification. The Parties agree that there are no third party beneficiaries of this Agreement other than HDG's subcontractors and service HDGs. USER waives any right of subrogation USER's insurance carrier may otherwise have against HDG arising out of this Agreement or the relation of the parties hereto.

13. MISCELLANEOUS

(A) This Agreement cannot be assigned by USER without HDG's prior written approval. HDG shall be permitted to assign this Agreement without USER's consent upon written notice to USER and shall be relieved of further obligations under this Agreement upon such assignment. (B) This Agreement shall be governed by the laws of the State of Illinois without regard to the Uniform Commercial Code, as enacted by any State or the United Nations Convention on Contracts for the International Sale of Goods. Legal or equitable actions arising out of, or relating to, to the Agreement shall be exclusively brought in The Circuit Court of Kane County. The Parties waive trial by jury in any action between them. In any action commenced by HDG, USER waives personal service of any legal process and consent that service of process may be made by the United States Postal Service, by certified or registered mail. If any party to this Agreement resorts to any legal action against the other, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to any other relief to which the prevailing party may be entitled. This provision applies to the entire Agreement and all related documents. Any and all actions relating to this Agreement must be brought within one (1) year from the date of occurrence of the event giving rise to the action. (C) In the event that any one or more of the provisions contained in the Agreement shall be invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforcement of any such provision in every other respect and of the remaining provisions of this Agreement shall not in any way be affected or impaired and shall be deemed wholly enforceable provided that, notwithstanding the unenforceability of any particular provision, the consideration underlying the Agreement remains substantially mutual in nature. (D) This Agreement shall be deemed accepted by HDG upon performance of Services. (E) This Agreement contains the full understanding of the Parties and can be modified or canceled only by writing signed by the Parties. (F) HDG may subcontract for the provision of services under this Agreement and USER agrees that all such subcontractors are intended third-party beneficiaries of this Agreement. (G) All subcontractors are independent contractors; there is no partnership or joint venture between HDG, any subcontractor or the manufacturer/distributor of the System. (H) HDG, distributors and resellers shall have no warranty obligations or liability for the System, all of which obligations and liability, if any, shall be the responsibility of the System manufacturer and User must look solely to such manufacturer in that regard. (I) HDG, DISTRIBUTORS AND RESELLER EACH HEREBY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. (J) USER represent and warrant that payments made under this Agreement are not and will not be made for the purpose of avoiding the provisions of applicable state or local lien laws including, without limitation, the New York Lien Law. Accepted and agreed to by the following duly authorized signatory:

Name: _____ Title: _____ Please Print

Sign: _____ Date: _____