



ELM Technologies Ltd.

TERMS AND CONDITIONS FOR SALE OF SKYBITZ EQUIPMENT AND GLOBAL TRACKING SERVICES

THESE TERMS AND CONDITIONS ("TERMS AND CONDITIONS") APPLY TO THE PURCHASE, LICENSE AND/OR USE OF CERTAIN SKYBITZ, INC. ("SKYBITZ") MATERIALS, SUPPLIES, EQUIPMENT, GOODS AND OTHER ARTICLES AND ANY ACCOMPANYING DOCUMENTATION (COLLECTIVELY, "EQUIPMENT"), AND THE SKYBITZ GLOBAL TRACKING SERVICES AND/OR RELATED SERVICE(S) AND/OR ACCOMPANYING DOCUMENTATION (COLLECTIVELY, "SERVICES," AND THE DOCUMENTATION PROVIDED WITH THE EQUIPMENT AND/OR SERVICES, THE "DOCUMENTATION") BY THE PURCHASER ("CUSTOMER") UNDER A PURCHASE ORDER ATTACHED HERETO FROM TIME TO TIME ("ORDER FORM") AND ANY FIRMWARE AND/OR OTHER SOFTWARE PROVIDED IN CONNECTION WITH, OR EMBEDDED IN, THE FOREGOING (THE "SOFTWARE"). ANY TERMS IN ANY CUSTOMER PURCHASE ORDER, ACKNOWLEDGMENT OR OTHER DOCUMENT THAT ARE IN ADDITION TO OR INCONSISTENT WITH THESE TERMS AND CONDITIONS ARE REJECTED BY ELM Technologies Ltd ("ELM") AND WILL BE OF NO EFFECT. IF THESE TERMS AND CONDITIONS AND THE APPLICABLE ORDER FORM(S) ARE PROVIDED IN RESPONSE TO A CUSTOMER PURCHASE ORDER, SUCH PURCHASE ORDER IS DEEMED A REQUEST FOR QUOTATION ONLY, AND THESE TERMS AND CONDITIONS ARE AN OFFER TO SELL THE EQUIPMENT AND/OR SERVICES. CUSTOMER MAY ASSENT TO AND ACCEPT THESE TERMS AND CONDITIONS BY WRITTEN ACKNOWLEDGMENT, BY CONDUCT OR COURSE OF DEALING, AND/OR BY ACCEPTANCE OF OR PAYMENT FOR THE EQUIPMENT AND/OR SERVICES ORDERED. ELM'S FAILURE TO OBJECT TO ANY TERM OR CONDITION CONTAINED IN ANY COMMUNICATION FROM CUSTOMER SHALL NOT BE DEEMED A WAIVER OF THESE TERMS AND CONDITIONS NOR SHALL SUCH FAILURE BE DEEMED AN ACCEPTANCE OF ANY TERM OR CONDITION CONTAINED IN SUCH COMMUNICATION. THESE TERMS AND CONDITIONS MAY BE AMENDED, MODIFIED OR SUPERSEDED ONLY IN A WRITTEN AGREEMENT EXECUTED BY AN AUTHORIZED REPRESENTATIVE OF EACH PARTY.

1. Order Forms. The parties may execute mutually agreed upon Order Forms in the form attached hereto as Exhibit A, which will identify and describe the specific Equipment and/or Services Customer agrees to purchase. Each Order Form will be subject to the Terms and Conditions contained in these Terms and Conditions. In the event of a conflict between the terms of these Terms and Conditions and an Order Form, the Order Form will govern. Each Order Form will be annexed hereto as Exhibit A-1, A-2, A-3 and so on, and will be incorporated herein as part of these Terms and Conditions.

2. Fees; Invoicing and Payment. All prices are in Canadian dollars. Customer must notify ELM in writing of any dispute with invoiced charges prior to the date when payment for such invoice is due. Absent such notice, Customer shall be deemed to have agreed to the charges as invoiced. All past due amounts will accrue a late fee of 1.5% percent per month or the highest rate allowed by law, whichever is less. In the event of delinquency on any account, Customer agrees to pay for all collection costs, attorneys fees, and court costs incurred in the collection of such account, regardless of whether litigation is pursued. All prices are exclusive of, and Customer shall pay, all sales and other taxes, assessments, surcharges, levies, or similar items assessed by a governmental body. ELM may invoice Customer for all applicable Taxes, which Customer shall pay in accordance with these Terms and Conditions.

2.1 Services. Monthly service charges for (a) the SkyBitz GTP network communications Service and (b) access to and use of SkyBitz' InSight asset tracking application ("InSight") and (c) the coverage messaging protection plan selected by Customer shall begin to accrue upon the earlier of: (y) thirty (30) days following the date of shipment of the corresponding SkyBitz Mobile Terminal (MT) units to Customer from ELM or (z) the date on which the MT first reports data to the SkyBitz systems. The InSight "standard" service, a description of which is set forth in the attached Exhibit B, is included at no additional fee. ELM may offer to Customer and Customer may elect to upgrade to the InSight "premier" service, a description of which is included in the attached Exhibit B. Customer understands that ELM or SkyBitz may modify Exhibit B from time to time to add, remove or otherwise modify the services and the fee (if any), as it determines, in its sole discretion. The InSight "premier" service fee for access and usage includes the number of InSight User Logins (as defined in Section 4.2.1) as set forth in the Order Form. In addition to SkyBitz' GTP network communications Service and access to InSight, Customer may also, by specifying such service(s) in an Order Form agreed to in writing by the Parties, procure, for additional charge(s) specified in the Order Form (or if no such fee is specified, ELM' then-current list price for such service(s)), additional services (such as additional InSight User Logins, SkyBitz' Data Feed Service, as defined in Section 4.1 below). Unless otherwise specified in the applicable Order Form, the recurring Service charge(s) for the applicable additional InSight User Login(s) and/or Data Feed Service and/or other additional Service shall be charged monthly, shall begin to accrue upon ELM's and SkyBitz's completion of its applicable set up activities with respect to such applicable additional Service(s) and shall continue for the remainder of the term. For partial months (or other applicable period), an interim Service invoice(s) will be rendered which will reflect the monthly or other periodic Service fee pro-rated to reflect the portion of such fee for the period from the date on which such fees began to accrue through the end of the calendar month in which the Service charges first accrued. Unless otherwise specified in the Order Form, invoices shall be provided on a monthly basis for recurring Service charges in advance of the month (or other applicable period) in which such charges shall accrue. ELM shall invoice Customer in arrears for any extraordinary or one-time charges (other than for setup fees, for which ELM shall invoice Customer on or after the date on which ELM and SkyBitz has completed its applicable setup activities with respect to such Service). Unless otherwise specified in the Order Form as accepted by ELM, payment shall be due 10 days from date of invoice with respect to Services. Service roaming charges at rates provided by ELM shall apply with respect to Equipment that reports from outside of the area of primary coverage for such Equipment (e.g., the United States or Canada). Notwithstanding the foregoing or any other provision to the contrary, ELM may modify the rates and prices for the services pursuant to the terms of Section 4.5.

2.2 Equipment. Customer agrees to purchase the quantity of the Equipment specified in the Order Form at the prices specified therein, or if not specified, ELM's then-current list price. Unless otherwise specified in the Order Form, invoices shall be provided upon shipment with respect to Equipment. Unless otherwise specified in the Order Form as accepted by ELM, payment shall be due 30 days from date of invoice with respect to Equipment.

2.3 Professional Service Charges. ELM and SkyBitz reserves the right to charge for certain professional services and Customer must approve rates and any professional services prior to any work being performed by ELM and/or SkyBitz. ELM or SkyBitz will create a Statement of Work (SOW) for professional services that will be agreed to by Customer prior to any work being performed by ELM and SkyBitz. The SOW will include the scope of work, rates and deliverables to the Customer.

3. Equipment.

3.1. Shipment and Delivery Terms. ELM will ship the Equipment as close as reasonably practicable to Customer's requested date, subject to ELM's available inventory and then-current lead time requirements. ELM is permitted to allocate its then-current inventory and other resources in its discretion. Equipment ordered by Customer under an Order Form may be shipped to the Customer on more than one date. ELM and SkyBitz shall not be liable for any damage or penalty arising from delay in delivery or from failure to give notice of any delay. All deliveries will be FOB ELM.. Risk of loss or damage to any Equipment shall pass to Customer at time of delivery to the carrier at the Point of Shipment and Equipment will be deemed accepted upon delivery.

3.2. Installation; Use. Customer is solely responsible for installing and operating the Equipment. Customer shall strictly abide by all ELM and SkyBitz installation procedures provided with the Equipment or otherwise provided to Customer by ELM. ELM and SkyBitz may update such procedures from time to time. Customer assumes all liability arising from installation, including liability arising from injury to any person, even if Customer follows ELM's and/or SkyBitz's installation procedures. Customer shall not, and shall not permit any third party to, use the Equipment with any device or service not provided by SkyBitz, without ELM 's and SkyBitz's prior written approval.

3.3. Security Interest. AS COLLATERAL SECURITY FOR ALL OF CUSTOMER'S PAYMENT OBLIGATIONS UNDER THESE TERMS AND CONDITIONS, CUSTOMER HEREBY GRANTS ELM A FIRST PRIORITY SECURITY INTEREST IN ALL EQUIPMENT PURCHASED AND ALL PROCEEDS OF THE EQUIPMENT (INCLUDING INSURANCE PROCEEDS) TO THE MAXIMUM EXTENT PERMITTED BY LAW.

3.4. Additional Terms. ELM and SkyBitz reserves the right to ship Equipment consisting of remanufactured, refurbished or retested components that in each case are subject to the warranties expressly provided herein. Customer agrees to abide by ELM's then-current Equipment return policy, as specified to Customer by ELM. ELM may amend its price lists with respect to Equipment at any time in its discretion, provided that Order Forms accepted by ELM prior to the implementation of a price amendment are not affected.

3.5. Limited Equipment Warranty. Provided that Customer is in compliance with these Terms and Conditions, ELM warrants that the Equipment provided to Customer shall be free from defects for one year from the earlier of (a) the date ELM submits its invoice for such Equipment and (b) the date ELM ships such Equipment to Customer the ("Warranty Period"). This warranty is conditioned on proper installation and normal use by Customer (including in accordance with Section 3.2 and Section 5). Further, this warranty will be voided and will not apply in the event of damage caused by Customer, disassembly or repair of the Equipment by anyone other than ELM or SkyBitz, and/or installation or maintenance in any manner other than as specified in the Documentation provided with or in connection with the Equipment. Customer's sole and exclusive remedy, and ELM's sole obligation, under the foregoing warranty is, at the sole discretion of ELM, the repair or replacement of the defective Equipment, or the refund to Customer of the price paid for the defective Equipment. In order to make a warranty claim, Customer shall (i) promptly notify ELM in writing during the Warranty Period of any defect in units of Equipment delivered; (ii) obtain a Return Material Authorization ("RMA") from ELM promptly after notifying ELM of the defect with the applicable units; and (iii) promptly upon receipt of the RMA, and in any event within the Warranty Period, ship the defective goods to ELM's designated location at Customer's expense. The term "defect" in these Terms and Conditions means failure of the Equipment to operate in conformity with the Documentation.

4. Services.

4.1. Description of Services. In addition to the SkyBitz GTP network communications Service, the SkyBitz Global Tracking Services (i.e., the Services) contains two functional elements – the SkyBitz MT and the Service Operations Center (the "SOC"). The MT is designed to transmit certain data regarding applicable Customer assets to the SOC and is described in a specification form previously provided to Customer by SkyBitz, which is the sole Documentation with respect to the MT. The SOC provides web based access to InSight. Further, Customer may, by including such service in an ELM's Order Form agreed to by the Parties, elect to procure SkyBitz data feed service to receive an XML data feed with certain asset tracking data (the "Data Feed Service").

4.2. Access to Services.

4.2.1. Grant of Access. Subject to these Terms and Conditions and during the term set forth herein or in the applicable ELM's Order Form, ELM and SkyBitz shall provide Customer with access to the Service(s) with respect to any Equipment Elm or SkyBitz has shipped to Customer and with respect to which Customer is current in the payment of applicable service charges under Section 2. ELM or SkyBitz may assign Customer a unique password and user ID (an "InSight User Login") to access the SOC. Customer will take reasonable steps to prevent the unauthorized use and disclosure of any password and user ID. Customer shall immediately, upon discovery, notify ELM of any unauthorized use of any password and user ID assigned to it and take any steps within its control to prevent any further unauthorized use. The act of a person or an automated process or system on behalf of Customer (including any act through the use of any password and/or user ID assigned to Customer) shall be attributable to Customer (an "Attributable Act"). Customer is responsible for Attributable Acts and for any other use of or access to the SOC by any person or entity gaining access to the SOC through the use of a password and user ID issued by SkyBitz. In addition to any remedies available under Section 6 or pursuant to applicable law or in equity, Elm or SkyBitz may, at any time, temporarily limit or suspend in whole or in part Customer's access to the SOC if Customer is in breach of this Agreement.

4.2.2. Procedures and Technical Protocols. Elm or SkyBitz will, from time to time, specify to Customer procedures according to which Customer may establish and obtain access to, and use of, the features and functions of the Service, including provision of any access codes, passwords, technical specifications, connectivity standards or protocols, or any other relevant procedures, to the limited extent any of the foregoing may be necessary to enable Customer to obtain access to the features and functions of the Service via the Internet, WAN or other dedicated point-to-point connection (as agreed pursuant to an applicable Order Form).

4.2.3. Responsibility for Hosting of Service. As between SkyBitz and ELM and the Customer, SkyBitz will bear responsibility, at its own expense, for hosting and operation of hardware and software necessary to provide the applicable Services through SkyBitz's systems, provided that Customer will be responsible for procuring and/or operating computer systems, software and telecommunications services meeting such minimum technical requirements as SkyBitz may specify from time to time, as necessary for Customer to obtain access to the Service as hosted by SkyBitz and/or receive the Service (as applicable).

4.2.4. Data Retention. Customer acknowledges and understands that the Service will generate data regarding the positioning and tracking of specific Customer assets ("Data"). During the term of each applicable Order Form with regard to Services, SkyBitz will make such Data available to Customer through online access to the Service for a period of ninety (90) days from date that the relevant Data is generated. Thereafter SkyBitz will archive and retain such Data for the shorter of eighteen (18) months or the remainder of the term of these Terms and Conditions as it applies to the Services (after which time SkyBitz may delete such Data) and, upon Customer's request, will retrieve and make available such Data, provided that Customer pays ELM's then-standard, applicable rates for such retrieval services.

4.3. Limited Service Warranty; Service Credits.

4.3.1. Limited Service Warranty. Provided that Customer is in compliance with these Terms and Conditions, and subject to the limitations set forth in Section 4.4, ELM warrants that the Service shall operate as generally described in Section 4.4 when utilized strictly in accordance with ELM and SkyBitz's instructions and operational procedures, including that the SOC availability with respect to the Service shall meet the service levels set forth in Section 4.4.1. In the event that the duration of service unavailability exceeds the limits permitted under Section 4.4, ELM may grant Customer a credit for additional future service ("Service Credit") in accordance with the terms of Section 4.3.2. The granting of such Service Credit constitutes Customer's sole and exclusive remedy, and ELM's sole liability, for failure of the Service to perform as warranted or any defects therein. SkyBitz will monitor its performance of the Services and may generate and use aggregate statistical data, including statistics as to uptime, coverage and general performance of the Service; provided that such data does not disclose any of Customer's Confidential Information. This warranty is conditioned on proper installation and normal use by Customer of all Equipment.

4.3.2. Where the Service remains unavailable to Customer, or available, but is modified, restricted, or impaired so as to materially and adversely affect the Service, for a period of twenty-four (24) hours or more, then (as Customer's sole and exclusive remedy, and ELM's sole liability) ELM may, but is not obligated to, extend a Service Credit at its discretion, based on the nature, extent, and duration of such modifications, restrictions, or impairments; provided that no Service Credit shall be due for periods of scheduled maintenance, or for instances where the Service is preempted, interrupted, suspended, modified or restricted as described in Section 4.4.3, periods when the communications network is unavailable or by acts of Force Majeure (as defined below).

4.4. Service Levels; Limitations on Service

4.4.1. Availability. Subject to the other provisions of this Section 4.4., the SOC will be available at least ninety-nine and nine-tenths percent (99.9%) of the time, as measured by SkyBitz on a monthly basis, excluding periods of scheduled maintenance and Emergency Preemption (as defined below). The SOC shall be considered available if accessible by a user outside the SOC firewall. Any inability of Customer or any third party to access the SOC due to any telecommunications problem or any other technical problem outside of ELM's or SkyBitz's direct control shall not affect the calculation of availability and shall not be considered periods of unavailability. The SOC is available through the "Customer Access" portion of SkyBitz's proprietary web site.

4.4.2. Performance Targets. The actual coverage and performance of the Service may vary due to terrain, weather, signal strength, customer equipment, communications network availability and other factors outside of ELM's or SkyBitz's control. Clarity and reception may be diminished by obstructions such as buildings and foliage. Customer bears sole responsibility for maintaining and replacing batteries required by the Equipment, and shall use only batteries provided by ELM or SkyBitz or batteries that comply with technical standards specified by SkyBitz for use with such Equipment. Customer acknowledges that performance of Equipment will degrade if depleted batteries are not replaced. As a result, ELM or SkyBitz can make no guarantee of coverage or availability. However, when operating with an unobstructed view of the sky and under clear atmospheric conditions and excluding periods when the communications network is unavailable, periods of scheduled maintenance and Emergency Preemption, the Customer should experience the Service to meet the following performance objectives:

4.4.2.1. Regularly Scheduled Reports – At least ninety-five percent (95%) of repeating scheduled reports from the MT are successfully transmitted and successfully received and processed by SkyBitz, as measured by SkyBitz on a monthly basis.

4.4.2.2. Events-Based Reports – At least ninety-five percent (95%) of events-based reports from the MT are successfully transmitted and received and processed by SkyBitz, as measured by SkyBitz on a monthly basis.

4.4.2.3. Paging – The MT shall respond to page requests for data and/or position according to the scheduled response parameters configured on the MT with a success rate of at least ninety-five percent (95%), as measured by SkyBitz on a monthly basis.

4.4.3. Emergency Preemption. The Service may be preempted, interrupted or suspended due to certain conditions or reasons beyond ELM's or SkyBitz's control, including (i) maintenance requirements or emergency conditions experienced by SkyBitz; (ii) to protect ELM's and/or SkyBitz's personnel, facilities or services; and (iii) to provide priority and preemptive access to the satellite system used by SkyBitz as required by the Federal Aviation Administration and/or the U.S. Coast Guard or otherwise ("Emergency Preemption"). In the event of Emergency Preemption, ELM or SkyBitz shall notify Customer as soon as reasonably practicable and shall restore Service as quickly as reasonably practicable thereafter.

4.4.4. Scheduled Maintenance. The use of the Service may be interrupted due to scheduled maintenance by ELM or SkyBitz or its service providers. ELM or SkyBitz shall normally restrict its scheduled maintenance periods to between the hours of 2:00 AM and 6:00 AM Eastern Time on Sunday of each week, although ELM or SkyBitz reserves the right to schedule maintenance during other times. In the event of unplanned outages, ELM or SkyBitz shall notify Customer as soon as reasonably possible and shall restore service as quickly as reasonably practicable thereafter.

4.5. Term and Termination of Services.

4.5.1. Period of Services. Unless earlier terminated in accordance herewith, the term of these Terms and Conditions for the provision of the Services with respect to any Equipment shall be for a period of 60 months, commencing on the first day of the second calendar month following shipment of such Equipment (the "Initial Term"). Without incurring liability, ELM may terminate the applicable Service(s) immediately in the event ELM agreement with its underlying service provider/reseller is terminated for any reason, provided that ELM shall be under a continuing obligation to use commercially reasonable efforts to promptly provide replacement services substantially similar to the applicable terminated Service(s). Service charges for the applicable Service(s) shall be suspended during the period that such Service(s) are not provided in accordance with this Section. In addition, notwithstanding any other provision to the contrary, at any time during the Initial Term which is after the earlier of the first anniversary of (a) the date on which this Agreement first became effective or (b) the date on which this Agreement is first executed by both Parties, ELM shall have the option to modify the rates and prices by notifying Customer of such new rates and prices at least ninety (90) days prior to any such modification; provided however that (y) ELM shall not modify the rates and prices pursuant to this section more than once in any calendar year and (z) the rates and prices shall not in any instance be increased pursuant to any individual modification under this section by more than five (5%) percent of the immediately previous rate/price.

4.5.2. Renewals. With respect to Services only, these Terms and Conditions, and each Order Form, shall automatically renew upon the expiration of the Initial Term with respect to such Services, for consecutive terms of 60 months (each, a "Renewal Term and collectively "Renewal Terms") unless either party provides written notice of termination to the other party not less than 60 days prior to the end of the Initial Term or then current Renewal Term, as applicable, then in effect, provided that ELM shall have the option to modify the rates and prices during any Renewal Term by notifying Customer of such new rates and prices at least ninety (90) days prior to any such modification. (The Renewal Terms and Initial Term are sometimes collectively referred to as the "Term".)

5. Intellectual Property; Usage Restrictions; License.

5.1.1. Intellectual Property; Usage Restrictions. Customer acknowledges that (a) SkyBitz and its licensors and suppliers own all right, title and interest, including all patent, copyright, trade secret, trademark, moral rights, mask work rights, and other intellectual property rights (collectively, "**Intellectual Property Rights**") in and to the Equipment, the Services, the Software (including SkyBitz's InSight asset tracking application), the proprietary technology, know-how, methodologies, inventions and processes embodied in any and/or all of the foregoing (collectively, the "**Proprietary Technology**"), and any and all Data and other data generated pursuant hereto, any databases created by SkyBitz using data processed and/or otherwise collected under these Terms and Conditions (including any data models, structures, or data contained therein) (collectively, the "**Databases**") (the foregoing, collectively hereinafter referred to as the "**SkyBitz IP**"), and that (b) such items reflect SkyBitz's selection, arrangement, coordination, and expression of such information and may contain confidential information, trade secrets, and/or patented technology. No title to Software, Data, the Databases, the Services, any Intellectual Property Rights or Proprietary Technology shall pass to Customer. Customer shall not engage, or permit any third party to engage, in any act or omission that would impair SkyBitz's or its licensors' Intellectual Property Rights or Proprietary Technology in any Equipment, Services, Data or any Software and/or any other SkyBitz IP. Customer shall not, and shall not permit any third party to, (i) copy or duplicate any Software or technology comprising a component of the Equipment or Service or any other SkyBitz IP; (ii) decompile, disassemble, reverse engineer or otherwise attempt to obtain or perceive the source code from which any Software component of the Equipment or Service or Database is compiled or interpreted, and Customer acknowledges that nothing in these Terms and Conditions will be construed to grant Customer any right to obtain or use or examine such source code or any design documentation relating to the Software; (iii) modify, revise, enhance, change, upgrade, or otherwise alter or adjust the Equipment or Service or any other SkyBitz IP (or any portion thereof) or create any derivative product from any of the foregoing, except with the prior written consent of SkyBitz; or (iv) assign, license, sublicense, rent, lease, resell or otherwise transfer, distribute or redistribute, the Equipment, Software, Services, Data or any other SkyBitz IP, except with the prior written consent of SkyBitz. Customer will use the Equipment, Software, Services and Data strictly in accordance with any applicable Documentation provided by ELM or SkyBitz, will use the Software solely for Customer's own internal purposes and will use any Service Documentation provided to Customer solely as required to enable Customer to receive and use the applicable Service as contemplated by, and in accordance with, these Terms and Conditions, and Customer will ensure that its use of the Equipment, Software, Services and Data complies with all applicable laws, statutes, regulations or rules promulgated by governing authorities having jurisdiction over the parties or the Equipment, Software and/or Services. Other than in accordance with Section 7, ELM and SkyBitz shall not disclose to any third party any Confidential Information of Customer contained in the Data, provided that in no event shall ELM or SkyBitz be otherwise restricted or prevented from copying, aggregating, distributing, disclosing, licensing, offering for sale or selling the Data.

5.1.2. License Grant. On the condition of Customer's compliance with these Terms and Conditions, SkyBitz grants Customer a non-exclusive, nontransferable, nonsub licensable, limited license during the Term with respect to the provision of the Services, to use the Software solely in accordance with the Documentation (and for Software provided and/or made accessible in connection with or embedded into Equipment, only conjunction with such Equipment) and in any event subject to any and all other restrictions set forth in these Terms and Conditions and the Documentation (the "**License**"). Further, Customer's License for and use of InSight shall be limited to use by the number of concurrent users which is equal to the number of InSight User Logins included in the applicable fee or otherwise procured as set forth in the applicable Order Form(s). Customer has no right to receive, use or examine any source code or design documentation relating to the Software. The License is effective beginning on the date hereof and until expiration or earlier termination (the "**License Term**") in accordance with these Terms and Conditions, including Section 6.

5.1.3 Reservation of Rights. SkyBitz reserves all rights in the SkyBitz IP except the limited rights granted to Customer hereunder. Except as expressly provided in this Agreement, Customer is not granted any rights to any intellectual property or any other rights, franchises or licenses with respect to the Products, Software, Services or other SkyBitz IP.

5.1.4 Proprietary Notices. Customer shall not, and shall not permit any third party to, remove, obscure, deface or alter any intellectual property notices or markings (including without limitation, notices or markings with respect to trademarks, patents and patent applications) placed on Equipment, Software or Services (or any related documentation, software, advertising, displays media or designations) by SkyBitz, its licensors or suppliers or at SkyBitz's direction (the "**Markings**") and shall fully reproduce the Markings on any and all copies thereof permitted to be made pursuant to these Terms and Conditions.

6. Default and Termination.

6.1. Default and Termination. Should Customer fail to pay any fees or charges due hereunder within ten (10) days after they are due, or fail to carry out any other obligation under these Terms and Conditions, such failure shall constitute a material breach and default under these Terms and Conditions. In the event of any default by Customer, ELM or SkyBitz may, at its option, in addition to other available remedies, (i) terminate these Terms and Conditions, (ii) terminate the License, and/or (iii) suspend the delivery of any Equipment and/or Customer's use of the Services without further notice to Customer; provided that in the event of a default by Customer involving any obligation other than a payment obligation, a breach of the License or proprietary rights restrictions set forth herein, Bypass (as hereinafter defined), or a breach that is not capable of being cured, ELM or SkyBitz first gives Customer thirty (30) days' prior written notice, in order to permit Customer to cure the default within such thirty (30) day period. "Bypass" means (i) any mechanisms, including pricing differentials, intended to divert to any destination other than the Iridium U.S. gateway any inbound Iridium Traffic originating from a Public Switched Telephone Network ("PSTN") and currently routed to the Iridium U.S. gateway and then forwarded to Iridium subscribers or (ii) any mechanisms intended to bypass Iridium gateways for routing of calls through the various PSTN, PLMN, PTT or IXC providers or (iii) any other mechanisms which Iridium determines in its sole and reasonable judgment constitutes network abuse or otherwise have a potentially damaging effect, including abnormal wear and tear, on the Iridium Communications System or cause or could potentially cause abnormal call Service performance or call and/or network congestion. "Iridium Traffic" includes any voice or data call that is originated from an Iridium Product or ICE, including attempted calls to a +8816 or +8817 number which is destined to terminate or be routed through the Iridium gateway or any carrier, ISC or IXC on behalf of Iridium.

6.2. Additional Rights of Termination.

6.2.1. Change of Control. Upon a change of control (for example, through a stock purchase or sale, merger, or other form of corporate transaction) affecting Customer, Customer shall provide written notice of such change of control to ELM within five (5) days after the change of control has occurred. If the change of control involves a Competitor, then upon receipt of such notice or at any time thereafter, ELM or SkyBitz may, in its sole and absolute discretion, immediately terminate the License and/or these Terms and Conditions by delivering written notice of termination to Customer. Should Customer fail to provide ELM or SkyBitz with the required written notice of a change of control within the required five (5) day period, ELM or SkyBitz may, in its sole and absolute discretion, immediately upon becoming aware of the same (or at any time thereafter) terminate the License and/or these Terms and Conditions by delivering written notice of termination to Customer. "**Competitor**" means any person or entity other than SkyBitz that provides asset tracking equipment or applications.

6.2.2. Insolvency; Cessation of Business. Upon Customer becoming insolvent, ceasing to do business, executing a general assignment for the benefit of creditors or upon the institution by or against Customer of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of Customer's debts, ELM or SkyBitz may, in its sole and absolute discretion, immediately terminate the License and/or these Terms and Conditions by delivering written notice of termination to Customer. For purposes of this Agreement, Customer shall be deemed insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not has filed a notice of bankruptcy and whether or not Customer is insolvent within the meaning of the Bankruptcy Act.

6.3. Effect of Termination. Upon termination of these Terms and Conditions, the License shall automatically terminate. Upon termination of the License and/or these Terms and Conditions for whatever reason, Customer shall immediately cease all use of the Software, the Documentation and all other SkyBitz Proprietary Information and return to ELM or SkyBitz all copies of the Documentation and all other SkyBitz Proprietary Information in its possession and/or control, and all portions thereof. Termination is not an exclusive remedy and all other remedies will be available whether or not the License and/or these Terms and Conditions is/are terminated. In addition, the Services will automatically terminate with respect to Software that is no longer licensed for use under the License.

7. Confidential Information. Each party (the "receiving party") acknowledges that it may receive or may have received information regarding the other party's (the "disclosing party") business, including the Intellectual Property Rights, Proprietary Technology, Software, pricing for the Equipment and Services, the Documentation, passwords, user ID's, Customer's individually identifiable Data, other technical, marketing, financial and other confidential or proprietary information ("**Confidential Information**"). Notwithstanding any other provision to the contrary, Confidential Information of ELM or SkyBitz includes all SkyBitz IP and the content of these Terms and Conditions. Neither party shall use the other party's Confidential Information for any purpose, except solely as required for purchase, installation, operation, use and maintenance of the Equipment and/or the Services (and/or with respect to use by ELM or SkyBitz of Customer's Confidential Information, to fulfill ELM's obligations under these Terms and Conditions), and will disclose such Confidential Information only to its employees who have a need to know such information and who are under confidentiality obligations at least as restrictive as those of the receiving party hereunder (and, with respect to disclosure by ELM and/or SkyBitz, to its contractors and/or agents who have a need to know such information and who have signed a non-disclosure agreement with ELM and/or SkyBitz which contains confidentiality obligations at least as restrictive as those of ELM and/or SkyBitz under these Terms and Conditions). Each party shall be responsible for the breach of this Section 7 by its employees, contractors or agents to whom it discloses the other party's Confidential Information pursuant to these Terms and Conditions. Each party will protect the Confidential Information of the other party from unauthorized use, access, or disclosure in the same manner as it protects its own confidential or proprietary information of a similar nature, and in any event by using no less than reasonable care. Each party will promptly return or destroy all Confidential Information of the other party in its possession or control, and certify the same, upon the disclosing party's request. The obligation of the receiving party with respect to handling the Confidential Information of the other party as set forth in these Terms and Conditions is not applicable to any information that: (a) is in the public domain at the time it is disclosed or after such disclosure becomes part of the public domain by publication or otherwise without violation of confidence or these Terms and Conditions by the receiving party; (b) is known to the receiving party at the time of disclosure, or thereafter becomes known, provided such knowledge was or is derived from a source other than the currently disclosing party without breach of these Terms and Conditions by the receiving party; or (c) is disclosed with the prior written approval of the disclosing party. If either party is required (by deposition, interrogatory, request for documents, subpoena, or similar process) to disclose any of the Confidential Information of the other party, it shall provide the other party with written notice of such requirement within five (5) days of learning of it, shall only furnish that portion of the Confidential Information which it is legally required and only in the manner legally required, and shall exercise commercially reasonable efforts to obtain assurances that confidential treatment shall be accorded the Confidential Information.

8. Limitations on Warranties. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 3.5 AND SECTION 4.3.1 ABOVE, THE EQUIPMENT, SOFTWARE AND THE SERVICES, AND ANY OTHER MATERIALS OR SERVICES PROVIDED BY ELM AND SKYBITZ HEREUNDER ARE PROVIDED "AS IS" AND "WITH ALL FAULTS," AND SKYBITZ EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND OR NATURE, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTIES OF OPERABILITY, CONDITION, NON-INFRINGEMENT, NON-INTERFERENCE, QUIET ENJOYMENT, ACCURACY OF DATA, AS WELL AS ANY WARRANTIES OF MERCHANTABILITY, SYSTEM INTEGRATION, WORKMANSHIP, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. In addition, Customer hereby agrees that it waives any right to make any claim against Iridium for losses, damages, liabilities, judgments, fines, amounts paid in settlement, expenses and costs of defense sustained by reason of any unavailability, delay, faultiness or failure of the facilities or the services that result from any past, present or future claim, demand, suit, action or proceeding brought or initiated by a third party, including without limitation, actions by an federal or state governmental authority.

9. Infringement. In the event of an infringement action relating to the Equipment and/or Services, or in the event that ELM or SkyBitz believes that such an action is likely, ELM or SkyBitz may, at its option and expense, (a) procure for Customer the right to continue using the Equipment and/or Services; (b) replace or modify the Equipment and/or Services so that it becomes non-infringing; or (c) give Customer a refund or credit for the purchase price paid by Customer to ELM for such Equipment and/or unused Services (i.e. prepaid fees for Services for the period for which Services are not provided by SkyBitz), less depreciation on a straight-line basis over a period of five years with respect to the Equipment; provided that ELM shall have no obligation or liability to the extent that the alleged infringement arises from (i) the combination, operation, or use of the Equipment and/or Services with products not furnished by ELM; (ii) alterations to the Equipment, Software and/or Services, which alterations are not made by ELM or SkyBitz; or (3) use of the Equipment and/or Services in a manner for which it was not designed or intended. THE FOREGOING SETS FORTH ELM AND SKYBITZ'S ENTIRE LIABILITY AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY AND ALL INFRINGEMENT CLAIMS AND ACTIONS.

10. Indemnification by Customer. Customer shall defend, indemnify, and hold ELM and SkyBitz harmless against all costs and reasonable expenses (including reasonable attorneys' fees), damages, losses and liabilities arising out of or relating to any claim by a third party or one of Customer's employees, agents, or contractors for damages relating to (i) personal injury, death, and/or property damage arising from the use (in violation or breach of these Terms and Conditions) or installation of the Equipment or the Services, or (ii) Customer's gross negligence or willful misconduct in connection with the Equipment or the Services. ELM and/or SkyBitz shall provide Customer with such information and assistance to settle and/or defend any third party claim as may reasonably be requested by Customer at Customer's cost and expense. Notwithstanding the foregoing, Customer shall not settle any third-party claim against ELM or SkyBitz unless such settlement completely and forever releases ELM and SkyBitz with respect thereto and ELM or SkyBitz provides its prior written consent to such settlement. In any action for which Customer provides defense on behalf of ELM or SkyBitz, ELM or SkyBitz may participate in such defense at its own expense using counsel of its choice.

11. Limitation of Liability. ELM AND SKYBITZ IS NOT THE MANUFACTURER OF THE EQUIPMENT. ELM AND SKYBITZ SHALL HAVE NO LIABILITY OR OBLIGATION TO CUSTOMER EXCEPT AS PROVIDED IN THESE TERMS AND CONDITIONS. SUBJECT TO THE LAST SENTENCE OF THIS SECTION 11, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, OR FOR ANY LOST PROFITS, EVEN IF ADVISED OF THE POSSIBILITY OF THE SAME, HOWEVER CAUSED AND REGARDLESS OF THEORY OF LIABILITY, WHETHER TORT, CONTRACT, OR STRICT LIABILITY. IN NO EVENT SHALL ELM AND SKYBITZ BE LIABLE FOR DAMAGES RELATING TO PERSONAL INJURY CAUSED BY INSTALLATION OR USE OF THE EQUIPMENT OR USE OF THE SERVICES. SUBJECT TO THE LAST SENTENCE OF THIS SECTION 11, ELM OR SKYBITZ'S AGGREGATE LIABILITY TO CUSTOMER SHALL IN NO EVENT EXCEED THE LESSER OF TEN THOUSAND DOLLARS (\$10,000.00) OR THE AMOUNTS PAID TO ELM BY CUSTOMER UNDER THE APPLICABLE ORDER FORM (i) FOR EQUIPMENT TO THE EXTENT A CLAIM RELATES TO SUCH EQUIPMENT, OR (ii) FOR SERVICES TO THE EXTENT A CLAIM RELATES TO SUCH SERVICES, IN THE AMOUNT PAID BY CUSTOMER FOR SUCH SERVICES DURING THE TWO (2) MONTH PERIOD PRECEDING THE DATE THE CLAIM AROSE. TO THE EXTENT THAT ANY EQUIPMENT OR SERVICES IS/ARE PROVIDED HEREUNDER BY THIRD PARTIES PURSUANT TO AN ARRANGEMENT WITH SKYBITZ, THE DISCLAIMERS AND LIMITATIONS OF SKYBITZ'S LIABILITY, AS STATED IN THESE TERMS AND CONDITIONS, SHALL EXTEND FULLY TO SUCH THIRD PARTIES. SUBJECT TO THE LAST SENTENCE OF THIS SECTION 11, CUSTOMER'S AGGREGATE LIABILITY TO ELM SHALL IN NO EVENT EXCEED THE AMOUNTS PAID AND PAYABLE TO ELM BY CUSTOMER UNDER THE APPLICABLE ORDER FORM (i) FOR EQUIPMENT TO THE EXTENT A CLAIM RELATES TO SUCH EQUIPMENT, OR (ii) FOR SERVICES TO THE EXTENT A CLAIM RELATES TO SUCH SERVICES. THE DISCLAIMERS AND EXCLUSIONS CONTAINED HEREIN ARE INDEPENDENT OF ANY EXCLUSIVE REMEDY AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF SUCH

EXCLUSIVE REMEDY. SOME PROVINCES DO NOT ALLOW THE DISCLAIMER OR LIMITATION OF DAMAGES RELATING TO PERSONAL INJURY, SO THE ABOVE DISCLAIMER OF, AND LIMITATION OF LIABILITY WITH RESPECT TO, PERSONAL INJURY MAY NOT APPLY. The disclaimers, exclusions and limitations of liability set forth in these Terms and Conditions form an essential basis of the bargain between ELM and Customer, and, absent any of such disclaimers, exclusions or limitations of liability, the provisions of these Terms and Conditions, including the economic terms, would be substantially different. Notwithstanding anything to the contrary contained in this Section 11, the disclaimers, exclusions and limitations of liability contained in this Section 11 shall not apply to claims arising (i) from the breach by Customer of the payment obligations set forth in Section 2, (ii) from the breach by either party of Section 5, Section 7 or Section 12, or (iii) indemnification obligations under Section 10; and any amounts paid in connection with any such claims shall not be counted towards determining whether the limitations on liability in this Section 11 have been reached.

12. Export. Customer shall not export or re-export, directly or indirectly, the Equipment, Software, Services, Proprietary Technology, Documentation or other SkyBitz IP without the prior written consent of ELM and SkyBitz. Customer acknowledges and agrees that the Equipment, Software, Services, Proprietary Technology, Documentation and other SkyBitz IP may be subject to U.S. export controls, including, but not limited to, the International Traffic in Arms Regulations, 22 CFR §§ 120-130, the Export Administration Regulations, 15 CFR §§ 730-799, the International Air Transportation Association Guidance Document for the Transport of Lithium Metal and Lithium Ion Batteries, 49 CFR §§ 172.102 and the trade and economic sanctions programs administered by the Treasury Department's Office of Foreign Assets Control 31 CFR §§ 500-599. These regulations include restrictions on destinations, end users and end use. Customer shall comply with these regulations at all times. Specifically, Customer shall not disclose, transfer, retransfer, release, sell or otherwise export or reexport, directly or indirectly, any of the Equipment, Software, Services, Proprietary Technology, Documentation and/or other SkyBitz IP to any foreign person, whether in the United States or abroad, without first obtaining: (a) the express written permission of ELM and SkyBitz; and (b) any and all necessary U.S. Government licenses, authorizations or other approvals.

13. Miscellaneous. These Terms and Conditions shall be governed by, subject to, and interpreted in accordance with the laws of the Province of Ontario, without regard to conflicts of laws. Any and all proceedings relating to these Terms and Conditions or the subject matter hereof shall be maintained in the courts of the Province of Ontario, ELM or SkyBitz shall be excused from performance of its obligations under these Terms and Conditions and the Order Form if such a failure to perform results from compliance with any requirement of applicable law, acts of god, fire, strike, embargo, terrorist attack, war, insurrection or riot, shortage or unavailability of utilities, supplies of raw materials or components, unavailability of the applicable communications network(s) and/or the internet or other causes beyond the reasonable control of ELM or SkyBitz (any of the foregoing, "**Force Majeure**"). Any delay resulting from any of such causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable under the circumstances. The waiver by either party of a breach of any provision of these Terms and Conditions shall not operate or be construed as a waiver of any other breach by that party, whether prior or subsequent. If any term or provision of these Terms and Conditions is determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remainder of these Terms and Conditions shall not thereby be affected, and these Terms and Conditions shall be deemed amended to the extent necessary to delete such provision. No action arising from or related to these Terms and Conditions or the subject matter hereof may be brought by Customer more than one (1) year after the cause of action has accrued. Section headings are for convenience only, and not for interpretation. "Including" means "including without limitation." These Terms and Conditions and any attached Order Form represent the entire agreement between the parties hereto with respect to the subject matter addressed in these Terms and Conditions and any such Order Form, and are in lieu of and supersede all prior agreements, communications or understandings of the parties with respect to such subject matter. The following provisions of these Terms and Conditions shall survive the termination or expiration hereof: 1, 2, 3.1, 3.2, 4.2.1 (solely as to Attributable Acts), 5.1.1, 5.1.3, 5.1.4, and 6 through 13. Customer may not assign this Agreement, nor assign any of its rights or delegate any of its obligations hereunder, to any third party without the prior written consent of ELM. Any attempted unauthorized assignment by Customer will be null and void. These Terms and Conditions may be executed in one or more counterparts, each of which shall be deemed to be an original copy of these Terms and Conditions, and all of which, when taken together, shall be deemed to constitute one and the same agreement. All notices and other communications required or permitted to be given under these Terms and Conditions shall be in writing and hand-delivered, mailed by certified mail, return receipt requested or sent by an overnight courier with a reliable tracing system, if to ELM, at 4141 Stadeview Cr. Unit 11, Mississauga, Ontario L5L 5T1, and if to Customer, at the address provided by it to ELM for such purposes. Notices shall be deemed effective upon receipt.

Either party may change its address for the giving of notice by so notifying the other party by written notice given in the manner set forth herein.

ELM Technologies Ltd..

By: _____
Name:
Title:
Date:

Customer:

By: _____
Name:
Title:
Date:

Exhibit A

Order Form

	ELM Technologies Ltd Customer Order Form A-[]	4141 Sladeview Cr. Unit 11 Mississauga, Ontario L5L 5T1 Tel: 905 826-1545 Fax: 905 821-8271 www.elmtechnologies.com
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Date: _____	Order Type: _____	Order #: _____
Rep: _____	Contract Term: _____	
Date Requested: _____	Method: Ground	

Billing Address:	Shipping Address:
Address: _____ _____ _____ _____ _____ Telephone: _____ Facsimile: _____ Name: _____	Address: _____ _____ _____ _____ _____ IT Point of Contact: Name: _____ Email: _____ Telephone: _____ Facsimile: _____

Qty	Item	Equipment/Accessories/Add-On Options Description	List Price	Unit Price	Extended Price
Equipment Order Total:					

* The InSight Usage fee set forth herein (if any) includes [] InSight User Logins. Additional Logins may be purchased separately for an additional set up fee and monthly charge.

Qty	Item	Services and Report Options Description	Charge Frequency/ Unit for Charge	List Price	Unit Price	Extended Price
			Monthly			
			Monthly			
			Monthly			
			Monthly			
Services Order Total						

Configuration			
Service Type:		Start Threshold (min):	
Wake Up Interval – Stopped (hours):		Stop Threshold (min):	
Wake Up Interval – Moving (hours):			
Reporting – Moving (hours):		Overage Plan:	

Qty	Item	Installation and Commissioning	List Price	Unit Price	Extended Price
Installation Subtotal:					
Equipment and Installation Order Total					

Comments:		Leasing/Financing Notes:	
<p>Equipment pricing is exclusive of applicable Taxes, shipping, handling, insurance which is the responsibility of the customer. This order is placed in accordance with and is subject to the Terms and Conditions For Sale of ELM's SkyBitz Equipment and Global Tracking Services. Full Terms and Conditions are available on our website, www.elmtechnologies.com Customer agrees that the terms and pricing herein shall not be disclosed without the prior written consent of ELM. All prices are in Canadian funds. This order shall become binding upon execution by customer and acceptance by ELM Technologies Ltd.</p>			
Customer:		ELM Technologies Ltd.:	
Signature:	Date:	ELM Signature:	Date:
Title:		Title:	

Exhibit B

Service Description

The following is a list of the features included in the InSight "standard" service as it exists as of the date the Terms and Conditions were provided to Customer. The features included in the standard and premier service are subject to modification by ELM or SkyBitz from time to time.

SkyBitz InSight Standard	SkyBitz InSight Premier
<p>Access to SkyBitz InSight</p> <ul style="list-style-type: none">• InSight Dashboard• Position details for all assets• Position history• Standard Reports• Basic Custom Reports• Standard Mapping• Custom Notifications• Contact Assets features: Paging, Lockdown, Panic Operations• Custom Landmarks and Groups• SkyBitz SkyFences• Asset Groups• User Management and user grouping• InSight Asset configuration and management tools• Standard support	<p>Includes all SkyBitz InSight Standard features, additional InSight Premier applications are purchased individually and prices are available upon request:</p> <ul style="list-style-type: none">• XML Data Feed• SkyBitz Equipment Maintenance Application• SkyBitz Refrigerated Trailer Application• SkyBitz Leasing Application• SkyBitz RouteFences Feature• SkyBitz Virtual Mileage Feature

Note: Mapping service providers are subject to change at any time by SkyBitz.