

Subscriber Agreement for TellSafe, LLC

This Service Agreement (hereinafter the “Agreement”) is made as of the date on which the Subscriber Agreement is electronically submitted to TellSafe. This Agreement is between TellSafe, LLC (hereinafter “TellSafe”), a Nevada Limited Liability Company with offices at 1817 Vaccaro Place, Henderson, NV, 89074-5220, and the undersigned Subscriber (hereinafter “Subscriber”), who, **BY COMPLETING THE SUBSCRIBER AGREEMENT AND BY SUBMITTING THE SUBSCRIBER AGREEMENT ELECTRONICALLY AND INTENDING TO BE LEGALLY BOUND, HEREBY AGREE AS FOLLOWS:**

1. INTRODUCTION.

TellSafe offers a conduit for the transmission of confidential information in accordance with the Sarbanes-Oxley Act of 2002. Under the Sarbanes-Oxley Act, which amended Section 10A of the Securities Exchange Act of 1934 (15 U.S.C. 78f), all publicly listed companies must establish internal and external policies with regard to complying with generally accepted accounting principles and various disclosure requirements. In the light of auditing scandals that have affected institutions like Enron and Worldcom, the Sarbanes-Oxley Act requires, in part, that individuals with information of fraud or other wrong-doing have a mechanism to report such information to the newly formed independent audit committees of the particular company, or to outside authorities and the media.

The Sarbanes-Oxley Act has established requirements for independent audit committee to oversee auditing and reporting practices to insure compliance with the new requirements of Sarbanes-Oxley. Section 301 of the Sarbanes-Oxley Act requires audit committees to establish procedures for receipt of information by employees (§301(4)(A)) and for the confidential submission of information by employees (§301(4)(B)): The Act states:

Each audit committee shall establish procedures for:

(A) the receipt, retention, and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and

(B) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

TellSafe offers a unique service to assist public companies and audit committees in encouraging individuals or whistleblowers to transmit information they may know to the audit committee before having to go to the outside authorities or the media. TellSafe's secure service provides an economical solution to establishing a secure and confidential method of communication between the individual and the audit committee.

2. TELLSAFE SERVICE.

2.1 Information Transmittal. TellSafe will provide a confidential service for the submission of information to the audit committee in accordance with Section 301 of the Sarbanes-Oxley Act. A complete and detailed listing of TellSafe Information Transmittal Services is attached hereto as Exhibit A.

2.2 Secure Network. TellSafe shall utilize industry standard secured network resources for the purpose of establishing a highly secure and confidential medium for the transmittal of the confidential information between the informer and the audit committee.

2.3 Help Desk. TellSafe shall maintain a help-desk for the limited purpose of technical support for the website and temporary web-housing. The help-desk will operate during normal business hours for inquiries and support requests and shall respond to such inquiries and requests as soon as practicable under the circumstances. Current information regarding contacting the help desk may be found on TellSafe's web site at <http://www.TellSafe.com>.

2.4 User ID & Password. TellSafe shall issue three (3) User IDs and three (3) Passwords for Subscriber to access reports and information as part of the internal policies of Subscriber audit committee. The assigned Passwords shall be confidential to Subscriber and may not be used by another person. The Subscriber shall be responsible for properly using the User IDs and Passwords.

2.5 Security. Subscriber is responsible for safeguarding and maintaining the confidentiality of the Passwords and is liable for any consequences that may result from its disclosure, including but not limited to immediate termination of this Agreement and liability for damages in accordance with this Agreement.

2.6 Web Access. Subscriber is responsible for obtaining or obtaining the use of all computers, modems, telecommunication connection and computer software for connection to the World Wide Web in order to access the TellSafe website.

2.7 TellSafe Service Marks and Logos. Subscriber shall have the right, during the term of this Agreement, to use the TellSafe trade name and the service mark and logo for the TellSafe Service in advertising, promotion and marketing materials solely for the purpose of announcing Subscriber's use of the TellSafe Service to prospective users. Subscriber may republish any description of the TellSafe service which has been published by TellSafe, provided the description is republished on a verbatim basis; but shall not, under any circumstances, make any unauthorized representations or warranties regarding the TellSafe Service or any information which may be accessed or retrieved through the TellSafe Service.

2.8 Limited Publication. Subscriber shall not knowingly publish any information about the TellSafe Service to competitors or potential competition of TellSafe.

2.9 Reasonable Business Efforts. It is the mission of TellSafe to provide the highest quality and confidential method of transmitting information. Toward that effort, TellSafe will use its best efforts in connection with the handling of valued and confidential information. TellSafe will make every effort to ensure Subscriber satisfaction in accordance with the regulatory and fiduciary obligations which Subscriber has set forth internally or which is set forth in law or policy. However, nothing in the Agreement shall be construed to mean that TellSafe is a guarantor of any obligation, that TellSafe has agreed, expressly or implicitly, to take on any obligations, nor that TellSafe has agreed to indemnify Subscriber with respect to any alleged or actual breach of such obligation, law or policy, nor that TellSafe is a fiduciary of any Subscriber.

3. SERVICE FEES

3.1 Fees. In consideration for the rights to access and use the TellSafe Service, Subscriber shall pay TellSafe the following fees in accordance with the rates set forth on the Schedule of Fees, attached hereto as Exhibit B:

- (a) Initial Subscription Fee. A non-refundable fee assessed for the establishment of a TellSafe account which includes the issuance of the Subscriber User ID and Password;
- (b) Periodic Fee (“Period” set forth in Exhibit B). A flat fee assessed in advance for Subscriber’s right to continuing access to the TellSafe Service;
- (c) Incident Fee. A fee assessed according to the definition of “Incident” and applicable charges set forth on Exhibit B, and
- (d) Reinstatement Fee. A fee shall be assessed to any Subscriber who desires to reactivate his or her access to the TellSafe Service within one year after termination.

3.2 Billing. Subscriber shall be billed on the first day of the Period following Subscriber’s activation date and Periodically thereafter in advance, as set forth in Exhibit B. Fees are non-refundable.

3.3 Taxes. All fees described herein are exclusive of all federal, state, municipal or other governmental excise, sales, value-added, use, occupational taxes, excises, withholding obligations and other levies now in force or enacted in the future and, accordingly, Subscriber will pay all such taxes and levies other than any tax or levy on the net income of TellSafe.

3.4 Increases. TellSafe may increase the Initial Subscription Fee, Quarterly Fees and the Incident Fees at any time by written notice to Subscriber at least thirty (30) days in advance of the effective date of such increase. If Subscriber objects to such increase, Subscriber may terminate this Agreement by written notice to TellSafe at any time before such effective date.

4. INDEMNIFICATION

Subscriber shall indemnify and hold TellSafe and its officers, directors, employees, agents, representatives, licensors and shareholders harmless from and against any and all liability, damages, loss or expense (including reasonable fees of attorneys and other professionals) arising from any claim, demand, action or proceeding initiated by any third-party against any of them based upon (a) any transmittal of information in utilization of the TellSafe Service, (b) any unauthorized breach of TellSafe's secure network, or (c) any civil claim brought under the Securities Exchange Act of 1934. Subscriber shall assist TellSafe, at Subscriber's expense, in the defense or settlement of any claim to which this indemnification obligation applies.

5. TERM & TERMINATION.

5.1 Term. The initial term of this Agreement shall commence upon the date on which this Agreement is electronically submitted, as shown on the TellSafe records when this agreement was entered into, (or below if the Agreement should be reduced to paper), and shall continue thereafter as long as Subscriber pays the Fees and any other charges to TellSafe when due unless sooner terminated in accordance with Section 5.2.

5.2 Termination. This Agreement and the licensed rights granted hereunder may be terminated by Subscriber at any time, or by either party in the event that the other party has not performed any material obligations or has otherwise breached any material term of this Agreement. Any such termination shall become effective upon the expiration of thirty (30) calendar days after receipt of written notice thereof if the breach or nonperformance has not then been cured. Promptly upon any termination or expiration of this Agreement, TellSafe shall deactivate Subscriber's TellSafe services, and Subscriber shall have no further access to the TellSafe Service. Subscriber acknowledges that TellSafe shall have no obligation to refund any fees or charges or any portion thereof paid to TellSafe prior to termination.

6. RETENTION OF RECORDS

6.1 180 Day Retention. TellSafe shall retain all records of reports submitted for one hundred and eighty (180) calendar days, the starting date shall correlate to the date of any submission. It will be the responsibility of the Subscriber to retain and store any records of reports for longer periods of time. Subscriber may be required to retain records for longer periods. TellSafe is not a records storage service.

6.2 Retention of Records Upon Termination of Service. TellSafe shall continue to retain records in accordance with Section 6.1, regardless of the expiration of the term or upon termination according to Section 5.

7. EXCLUSION AND LIMITATION OF LIABILITY

7.1 Limitations and Exclusions. NEITHER TELLSAFE NOR ANY OF ITS AFFILIATES, SHAREHOLDERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, REPRESENTATIVES OR LICENSORS SHALL BE LIABLE TO SUBSCRIBER OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES THAT RESULT FROM THE USE OF THE TELLSAFE SERVICE, INCLUDING, BUT NOT LIMITED TO ACTION OR INACTION BASED ON THE INFORMATION TRANSMITTED THROUGH TELLSAFE SERVICES, MISTAKES, OMISSIONS, DELETIONS, OR DELAYS IN SUCH TRANSMISSIONS OF SUCH INFORMATION, INTERRUPTIONS IN CONNECTION WITH THE TELLSAFE SERVICES, VIRUSES OR FAILURES OF PERFORMANCE, WHETHER CAUSED IN WHOLE OR IN PART BY NEGLIGENCE, ACTS OF GOD, TELECOMMUNICATIONS FAILURE, THEFT OR DESTRUCTION OF TRANSMITTED INFORMATION, OR UNAUTHORIZED ACCESS TO CONFIDENTIAL SERVERS OR INFORMATION PROCESSORS RELATED TO THE TELLSAFE SERVICE OR RELATED INFORMATION, TRANSMITTALS OR RECORDS OF TRANSMITTALS.

7.2 Maximum Aggregate Liability. IN NO EVENT SHALL THE LIABILITY OF TELLSAFE, ITS AFFILIATES, SHAREHOLDERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, REPRESENTATIVES AND LICENSORS ARISING OUT OF ANY CLAIM RELATED TO THIS AGREEMENT EXCEED THE AGGREGATE AMOUNT PAID BY SUBSCRIBER HEREUNDER IN THE 12 MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH A CLAIM.

7.3 Severability. IT HEREBY IS EXPRESSLY UNDERSTOOD AND AGREED THAT EVERY PROVISION OF THIS AGREEMENT THAT DEAL WITH (I) LIMITATIONS OF LIABILITY OR DAMAGES, (II) DISCLAIMERS OF REPRESENTATIONS, WARRANTIES, CONDITIONS, OR LIABILITIES, OR (III) INDEMNIFICATION, IS EXPRESSLY INTENDED TO BE SEVERABLE FROM ANY OTHER PROVISIONS OF THIS AGREEMENT AND SHALL BE SO INTERPRETED AND ENFORCED.

7.4 Duty to Report. TellSafe may have an implicit duty to report information, including personal identity or TellSafe records, in the case of crimes, threats or implications of threats against the person, should TellSafe become aware of such information. Such crimes are outside the scope of information intended to be transferred according to Section 1, the Introduction, or listed in Section 2, the TellSafe Services. However, there shall be no express or implied duty on the part of TellSafe, nor any liability imposed upon TellSafe according to Section 6.1 for any failure to disclose crimes, threats or implications of threats against the person.

7.5 Acknowledgment. Subscriber acknowledges that TellSafe has set its fees and other charges in reliance on the disclaimers of warranty and limitations and exclusion of liability set forth in this Agreement and that the same form an essential basis of the bargain between the parties. The Subscriber irrevocably waives all claims against TellSafe or any of its affiliates, shareholders, officers, directors, employees, agents, representatives and licensors for any action in connection with the TellSafe Service and particularly as to acts imposing liquidated damages upon Subscriber or revoking Subscriber's access to the TellSafe Service.

8. REMEDIES.

Subscriber acknowledges and agrees that the TellSafe database is confidential and propriety products of TellSafe and that in the event there is an unauthorized disclosure of such by Subscriber, no remedy at law may be adequate. Therefore, Subscriber agrees that in the event of such unauthorized disclosure of the TellSafe database, TellSafe may seek injunctive relief or other equitable remedies against Subscriber in addition to all available remedies at law.

9. DISPUTE RESOLUTION.

Except for the right of TellSafe to seek injunctive relief or other equitable remedies under Section 8 of this Agreement, all claims, disputes and controversies and other matters in question between the parties to this Agreement, arising out of, or relating to this Agreement, or the breach thereof, which cannot be resolved by the parties, shall be settled by binding arbitration pursuant to the rules then in effect of the American Arbitration Association ("AAA") under its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The situs of the arbitration shall be Las Vegas, Nevada. Notwithstanding any provisions in such rules to the contrary, the arbitrator(s) shall have no authority to add or detract from the agreements of the parties, but instead are limited to interpreting this Agreement. The costs of arbitration, including reasonable attorney's fees, administrative fees, arbitrator fees, arbitrator travel and related expenses, and the court reporter fees, shall be awarded to the prevailing party. Any requests to arbitrate shall be made in writing and promptly delivered to the other party and shall be in accordance with the applicable rules of the AAA.

10. LEGAL FEES AND COSTS.

10.1 Reimbursement. In the event legal action is taken against Subscriber, and TellSafe prevails in obtaining equitable relief or monetary damages, Subscriber will be obligated to reimburse TellSafe for the reasonable attorney's fees, costs and expenses incurred in pursuing such legal action. Subscriber will also be responsible for any legal fees and costs incurred by TellSafe in enforcing any order or collecting any judgment.

10.2 Retention of Services. In the event that Subscriber should retain TellSafe in any matter outside the scope of this Agreement, including for the purpose of litigation, Subscriber shall indemnify TellSafe for all expenses regarding such matter. The costs associated with such retention shall be determined by either an hourly or matter basis, or both, as to be determined at the time of each particular retention of said services.

11. NO THIRD PARTY BENEFICIARIES

This Agreement is entered into solely between, and may be enforced only by, TellSafe and Subscriber, and this Agreement shall not create or be construed to create any rights in any third party corporation, officer or director of any third party corporation, any third party audit committee or any private or governmental state or federal regulatory agent.

12. MISCELLANEOUS.

This Agreement may not be amended except by written instrument executed by both parties. Neither this Agreement nor any obligations or duties hereunder may be assigned or delegated by either party. This Agreement contains the entire understanding of the parties and supersedes all previous oral and written agreements on the subject hereof. This Agreement shall be governed by, and in accordance with the laws of the State of Nevada applicable to contracts made and performed in Nevada. The headings for this Agreement are for convenience only.

SUBSCRIBER INFORMATION FORM

Company _____

Company Address _____ City _____ State _____

Zip Code _____ Country _____

Company Representative Name _____
First Name Last Name Middle Initial

SUBSCRIBER: _____

By: _____

Its: _____

EXHIBIT A

TellSafe Information Transmittal Services

1. TellSafe shall provide a means for receiving anonymous messages from Subscriber's employees via web site, telephone, courier or US Mail.
2. TellSafe shall inform the Subscriber's contacts via e-mail when a message has been received. TellSafe shall use the contact information supplied by Subscriber for this purpose.
3. For messages received on TellSafe's web site or by telephone, TellSafe shall provide a means for subscriber to review the unedited messages on its web site. For messages received via courier or US Mail, TellSafe shall forward them unedited to the physical address of the contacts supplied by Subscriber for this purpose.
4. TellSafe may, at its discretion, provide Subscriber with copyrighted materials for use by Subscriber to inform their employees of the features and benefits of the Transmittal Services.