

CONSULTANCY AGREEMENT

The present Consultancy Agreement, effective from the October 3rd, 2011, is made

BETWEEN

HT S.r.l. (“HT”) a Company incorporated under Italian law, with registered office in Milano, Via Moscova n. 13, registered before the Companies’ Register of Milan REA n. 1712545, represented here by Mr. David Vincenzetti

AND

Mr. Frederick D. D’Alessio (“Consultant”), a citizen of the United States of America, residing at 9065 Windswept Drive, Bonita Springs, Florida, USA 34135-8186,

1. Position and Duties

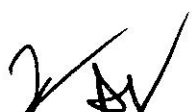
1.1 The Consultant agrees to render to HT the following services :

- (i) render advice to HT on the industry value chain for HT security services and products (the “Product Market”);
- (ii) advise and assist HT as the opportune strategies to increase HT’s visibility in the Product Market in the United States and other locations;
- (iii) advise and assist HT on potential business development and marketing strategies for HT in the Product Market;
- (iv) assist HT with reference to developed market plans and price policies in the Product Market;
- (v) obtaining new investors in the United States; and
- (vi) render advice to HT on strategies with possible new customers in the Product Market in the United States.

1.2 The Consultant shall devote such time, attention and skills as is necessary to fully perform the services above, and, save as provided in Section 6.2 of this Agreement, shall at all times act in the interests of HT and shall faithfully and diligently perform his activity.

In particular, in providing the services, save as provided in Section 6.2, the Consultant must, *inter alia*,

- (a) act with a view to promoting, advancing and improving the business services conducted by HT in the Product Market;
- (b) provide advice and reasonable reports at any intervals or on any occasions as HT stipulates, and on any matters as HT requires within the scope of the services;
- (c) comply with all applicable laws in all jurisdictions in which the services are performed by the Consultant;
- (d) comply with any working practices, rules or procedures applicable to Consultant at any location where the services are being performed;
- (e) use best endeavours to promote and protect the interests of HT;
- (f) within the scope of the services, comply with all reasonable and lawful instructions given by HT in order to achieve the outcomes desired by HT, although the Consultant may determine the method of achieving those outcomes in a manner that is not inconsistent with the interests of HT;



1.3 The Consultant provides the services at its own risk.

1.4 HT may audit billing records of the Consultant at reasonable times agreed upon by the parties in the event of any billing dispute between Consultant and HT. Billing records of Consultant will be deemed confidential information of Consultant subject to terms in this Agreement protecting Consultant's confidential information.

1.5 The Consultant will promptly inform HT of any event that could have a material adverse effect in connection with the performance of the Consultant's obligations or exercise of HT's rights under this Agreement.

1.6 The Consultant shall not engage any employee, agent or Consultant to perform the services, unless expressly and previously authorized in writing by HT. In any case, HT's consent will be without prejudice to the Consultant's responsibility to HT for the proper performance of the Consultant's obligations under this Agreement.

1.7 The Consultant must, at the request of HT, prepare and execute such instruments and do such other acts and things as may be necessary or desirable to enable HT or its nominee to obtain protection of any intellectual property rights vested in HT in such parts of the world as may be specified by HT or its nominee and to enable HT to exploit any intellectual property right vested in HT to its best advantage.

1.8 HT shall acquire no right, title, ownership or interest in intellectual property of Consultant or any third party developed by Consultant prior to or independent of this Agreement ("Consultant Intellectual Property"), including, without limitation, any copyright, trademark, trade secret, patent, or other intellectual property right therein. Consultant Intellectual Property shall remain the exclusive property of Consultant.

2. Effective date and duration

2.1 The agreement will commence on the October 3rd 2011 and, unless earlier terminated in accordance with its terms, shall have a duration of three years expiring the October 2nd 2014.

2.2 Unless terminated by either party with registered letter to be sent to the other party at least 30 days before the expiration of the term of this Agreement, this Agreement shall automatically renew for 1 term of one additional year at the same economic terms and conditions.

2.3 Save as provided in article 9.1 below, each party shall be entitled to terminate this agreement, for any reason or cause at anytime during the term of this Agreement, by giving the other party 90 days prior written notice.

3. Place of work

3.1 The Consultant is authorized to carry out the services and his duties under this Agreement in any location and he will autonomously determine all execution aspects and modalities in relation to the provision of the services that he has undertaken to render in this Agreement .

4. Compensation



4.1 HT will pay a total amount of fifty-six thousand Euro (€ 56.000) per year, VAT excluded. This compensation shall be paid monthly in equal installments and credited to the bank account indicated by the Consultant.

4.2 HT shall reimburse to the Consultant (against receipts or other satisfactory evidence in accordance to the tax law) all business expenses, previously agreed with HT, properly incurred and paid by him in the course of the relationship, pursuant to the applicable law, within 30 days of receiving the relevant receipts. Subject to HT approval, the following types of travel and meal expenses will be reimbursed by HT when undertaken by Consultant in performance of services under this Agreement: (a) airplane travel, business class for intercontinental travel and coach or equivalent class for travel within the United States; (b) hotel stays at U.S. national branded hotels, such as Marriott, Hilton, Hyatt, Holiday Inn and similar hotels; (c) full-size car rentals from U.S. nationally branded car rental agencies, such as National, Enterprise, Avis and Hertz; (d) use of personal car at the rate of US\$.50/mile. Other business expenses will be reviewed and approved in advance.

5. Stock Options

5.1 Subject to the approval of the Board of Directors of HT, the Consultant will be eligible to participate in HT's Stock Options Plan, pursuant to the terms and conditions contained in the Option Agreement attached to this Agreement as Schedule A (the "Option Agreement").

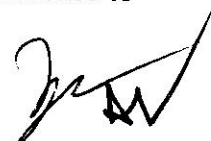
6. Non competition

6.1 Except as stated in Section 6.2 of this Agreement, the Consultant undertakes, for the term of this agreement and for a period of one year starting from the termination, for any reason or cause, of this agreement, not to compete under any form with HT. In particular the Consultant undertakes:

- (a) to carry on his activity exclusively in favor of HT;
- (b) not to carry on or be concerned, engaged or interested directly or indirectly as advisor, agent, employee or through any controlled or managed company or any business or entity competing with the business of HT;
- (c) not to directly or indirectly employ, engage any employee in any Consultant's controlled or connected company and to prevent that his controlled or connected companies may employ, engage any employees of HT or employees which have been employed during the 12 month before their termination, without any consideration for the type of relationship between the employer and the employees.
- (d) not to contact for any reason HT's clientele

In case of violation of this non compete obligation, the Consultant shall pay HT, as liquidated damages, a sum equal to 100 % of the gross yearly compensation received by the Consultant during the 12 months preceding the violation or, in the case of violation after the termination, during the 12 months preceding the termination, save the right of HT to claim for additional damages, if any.

It is agreed that articles 7.3, 7.4 and 7.5 of the Option Agreement shall apply also with reference to this Agreement.



In particular it is agreed that the non competition obligations set forth under article 6.1 (i) (ii) and (iii) above shall refer to the territory of Italy, geographical Europe, United States, Asia and other States in which HT realizes at least 5% of its turnover in accordance with the last financial statement approved by HT.

- 6.2** The Consultant declares that he is currently a member of:
- the Board of Directors of the company SS8 Networks Inc. and
 - the Board of Directors of Network Equipment Technologies, Inc.

to this regards, HT declares that this particular activities performed by the Consultant are hereby authorized as long as they are not in competition or in conflict with HT's activities.

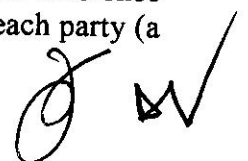
However should any particular situation of conflict arise in the future with reference to the activities performed by two above mentioned companies and/or should the activities performed by the companies listed above change or be modified in a manner that they may be deemed in competition or in conflict with HT's activities, the Consultant shall not be deemed in breach of this Agreement upon condition that the Consultant immediately informs HT of the conflict or deemed competitive activity; in these cases the parties shall discuss in good faith a solution that may be suitable for HT's best interest; should no solution be mutually agreed upon and formalized in writing within thirty days from the date on which HT shall have received the above mentioned Consultant's communication, HT AND CONSULTANT shall EACH be entitled to immediately terminate this Agreement without liability for such termination. To this regard it is being further agreed that (i) with reference to the above mentioned conflict position or deemed competitive activity as it shall be communicated to HT by the Consultant, HT shall not be entitled to claim for the liquidated damages set forth in article 6.1 above, breach or default of articles 6.1 (a) , (b) and 6.2 of this Agreement or termination by default of this Agreement for the breach of article 6.1 (a) (b), save any rights of HT in case of the Consultant's negligence or fault; (ii) with reference to the above mentioned conflict position or deemed competitive activity, the Consultant shall not be entitled to any claim against HT, save for his right to receive the compensation due through the day on which this agreement shall be terminated, his right to stock options (which shall not be affected by such termination), according to the terms and condition of the stock options agreement, and his right to make claims under insurance provided by HT to Consultant under section 12.9 hereof (which shall not be affected by such termination according to the terms and condition of the insurance policy), save any rights of HT in case of the consultant's negligence or fault and (iii) save as stated in article 6.1 (c) and (d) above the Consultant shall abstain from participating or contributing, in any manner, to any resolutions, decisions or determination, that may be in competition or conflict with HT business or activities.

For avoidance of doubt, should the activity set forth in subsection 6.1 (c) and 6.1 (d) be carried out by SS8 and / or by NET without the same activities being caused directly or indirectly by the Consultant, these will not be considered as a violation of section 6.1

6.3 It is understood and agreed that the compensation provided for in art. 4 above has been calculated taking into consideration the non competition obligations taken by the Consultant according to this art. 6.

7. Confidentiality

7.1 Without prejudice for any provision of the Consultancy Agreement with particular reference to the permitted activities listed under **paragraph 6.2** of the Consultancy Agreement, each party (a



“Receiving Party”) acknowledges that any information concerning relationships of the other party (a “Disclosing Party”) with clients, supplier, agents, distributors, affiliated members and other third parties which have any kind of relationship with the Disclosing Party, as well as information concerning production and marketing systems, methods, plans and commercial and strategic policies, patents, trademarks and know-how of the Disclosing Party, which are disclosed by the Disclosing Party to the Receiving Party or otherwise become known by the Receiving Party as a result of this Agreement, are crucial information of the Disclosing Party and shall be considered confidential information of the Disclosing Party and that the disclosure of this information by the Receiving Party may damage the Disclosing Party itself. Consequently, the Receiving Party shall (a) use the above-mentioned confidential information of the Disclosing Party exclusively during the duration of the relationship between the parties under this the Consultancy Agreement for the sole purpose of performing such agreement; and (b) not disclose this confidential information to any person, company or other entities until the termination of the Consultancy Agreement and for the following period of two years. It is further agreed that all information provided by the Consultant related to its advisory services to HT under this Agreement shall not be considered as confidential, except for Consultant billing information provided by Consultant to HT pursuant to **paragraph 1.4**.

7.2 The confidentiality provisions in the above article 7.1 shall not apply to any disclosure of confidential information of the Disclosing Party required of the Receiving Party pursuant to law, rule, subpoena, or court order, in which circumstances the Receiving Party shall, if permissible and practicable to do so, notify the Disclosing Party before confidential information of the Disclosing Party is disclosed and, subject to the requirement to disclose under such law, rule, subpoena, or court order, comply with the reasonable requests of the Disclosing Party regarding the extent of such disclosure.

8. Assignment

8.1 HT may assign this Agreement to any subsidiary or associated entity without the prior consent of the Consultant provided that such entity is financially responsible and able to pay Consultant compensation due Consultant under this Agreement.

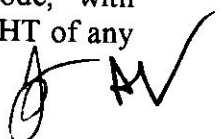
8.2 The Consultant may not assign this Agreement without the prior written consent of HT and may not sub-contract the performance of any part of this Agreement without the prior written consent of HT.

9. Termination by Default

9.1 Without prejudice to any other related provision of this Agreement, HT has the right to terminate this Agreement, pursuant to article 1456 of Italian Civil Code, with communication to be sent by HT to Consultant by registered letter, in case of breach of the Consultant of any of the obligations set forth in articles 1.1, 1.2 (c), 1.5, 1.6, 6.1, 6.2, 7.1, 8.2, 12.2.

It is agreed that in case of breach by Consultant of the obligations set forth in article 1.1, 1.2 (a), (b), (d) (e) and (f), 1.4, 1.6, the termination shall be effective starting from the fifteenth day after the day on which the Consultant shall receive the relative termination communication by registered letter R.R., where such breaches are not cured by Consultant within such fifteen days term.

9.2 Without prejudice to any other related provision of this Agreement, the Consultant has the right to terminate this Agreement, pursuant to article 1456 of Italian Civil Code, with communication to be sent by Consultant to HT by registered letter, in case of breach of HT of any



of the obligations set forth in articles 4, 5, 6.2, 7, 8.1, 12.8, and 12.9. It is agreed that in case of breach by HT of the obligations set forth in articles 4, 5, 6.2 and 12.9 the termination shall be effective starting from the fifteenth day after the day on which the HT shall receive the relative termination communication by registered letter R.R., where such breaches are not cured by HT within such fifteen days term.

10. Termination

10.1 On termination of the present agreement the Consultant shall resign from any role he should play within HT and will forthwith return to the Company all equipment, correspondence, reports, specifications, software, models, notes, reports and other documents and any copies thereof and any other property belonging to the Company which will be in his possession or under his control. The Consultant shall, whenever asked to do so, or in any case upon termination of his relationship with HT, deliver to HT or to an attorney duly authorized, all keys, security passes, credit cards, documents, tapes, software files or, in general, any other element which was under his possession and control and which relates to HT's business, with an obligation not to provide any copies of the same to any third party and not to retain any copies herself, except with the express and written consent by HT.

11. Notices

11.1 Any notice, approval, consent or other communication under this Agreement will be in writing, and delivered personally or given by prepaid registered post, facsimile or email to another party at the address of that other party indicated in this Agreement, or to another address as that party may from time to time notify to the other for the purposes of this clause.

11.2 Proof of posting by prepaid registered post or of despatch of facsimile, will be proof of receipt:

- (a) in the case of a letter, on the third day after posting;
- (b) in the case of facsimile, on the day immediately following despatch, provided that the sender's facsimile machine produced a simultaneous satisfactory transmission report; and
- (c) in the case of email on the day immediately following the date of sending.

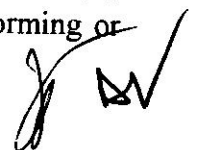
12. Miscellaneous

12.1 The Consultant shall promptly communicate to the Company any variation concerning his residence and his domicile.

12.2 The Consultant must not indicate to any person that he acts as agent for HT or is authorised to bind or commit HT to any obligation, and cannot bind HT in contract or otherwise, unless HT expressly grants, in writing, the Consultant with the right to act on its behalf.

12.3 The relationship between HT and the Consultant is that of principal and independent Consultant. Nothing in this Agreement will be taken as constituting the Consultant or any employee, agent or Consultant of the Consultant as an employee of HT.

12.4 Should the Consultant be exceptionally granted by HT with the right to act on HT's behalf *vis-à-vis* a third party and, after relative agreement is signed with such third party, this latter sue HT and the Consultant claiming for damages caused by a negligent act or omission of HT in performing or



executing the related signed agreement, then HT shall indemnify the Consultant against such third party's claim, upon condition that the third party obtain a final decision by the competent court ascertaining and stating the third party's right to claim for the damage and that such damage was not caused, or concurred to be caused, by any negligent act or omission of the Consultant.

12.5 Failure or omission by either party at any time to enforce or require strict or timely compliance with any provision of this Agreement will not affect or impair that provision, or the right of the party not in breach to avail itself of the remedies it may have in respect of any breach of a provision.

12.5 Any provision of this Agreement which is or becomes illegal, void or unenforceable will be ineffective to the extent only of such illegality, voidness or unenforceability and will not invalidate the remaining provisions.

12.6 This Agreement may not be changed or modified in any way after it has been signed except in writing signed by or on behalf of the parties.

12.8 Notwithstanding any contrary terms in this Agreement, Consultant shall be entitled to rely on information provided by HT under this Agreement to Consultant, and Consultant shall have no liability to any third party in connection with his status as a Consultant to HT, arising from Consultant's reliance on such information.

12.9 Throughout the Terms of this Agreement, at HT's sole cost and expenses, the Consultant shall be provided with the insurance policy the terms and conditions of which are enclosed to this agreement as Schedule B.

12.10 The terms of this Agreement, and Consultant's retention under this Agreement, shall not be disclosed by either party publicly or to any third person or entity without the prior written consent of the other party, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, each party may disclose this Agreement, and the retention, in confidence, to the following persons who have a bona fide need to know: its attorneys, its tax and financial advisors, and its employees and directors, or as otherwise required by applicable law.

13. Applicable law and jurisdiction

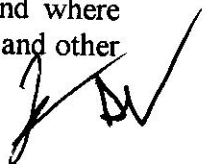
13.1 This Agreement shall be governed and construed under and in accordance with the laws of Italy.

13.2 For any disputes relating to the interpretation or execution of this agreement the Court of Milan shall have exclusive jurisdiction

14. DATA PROTECTION

14.1 The Consultant:

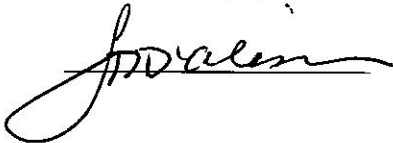
- (a) acknowledges that HT and its advisers will need to process certain information in order to calculate and make payments due Consultant under this Agreement (the "Agreed Purposes");
- (b) consents to HT processing personal information for the Agreed Purposes and where necessary to transfer such information to any third parties (for example, banks and other



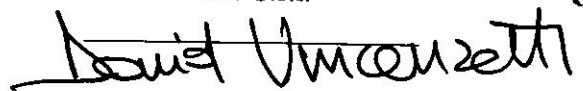
employers following a business transfer or merger) based inside and outside the European economic areas in respect of which the Services are provided;

- (c) will provide to HT, all personal data reasonably necessary for the Agreed Purposes pursuant to the legislative Decree 30th June 2003, no. 196, which includes but is not limited to a change of address and/or telephone and fax number, bank details, dependents; and
- (d) pursuant to Art. 13 of the legislative Decree 30th June 2003, no. 196, agrees to the recording, processing, use, disclosure and transfer by HT of personal data relating to it reasonably necessary for the Agreed Purposes. This does not affect its right to request (i) copies of the personal data of which it is the subject; and (ii) the name of any third parties who have received such personal data pursuant to the legislative Decree 30th June 2003, no. 196.

The Consultant



HT S.r.l.



Schedule A: Option Agreement

Schedule B: Consultant's Insurance