

PROPERTY DISPOSITION SERVICES AGREEMENT

PropertyRoom.com, Inc., a Delaware corporation ("PropertyRoom"), enters into this agreement (the "Agreement"), identified below (the "Owner") for the auction and disposition of personal property (the "Disposition Services"), in ac
 Terms and Conditions and Addenda, if any, attached hereto and listed below.

Beginning December 1, 2007, (the "Start Date") Owner engages the Disposition Services of Pro
 Agreement will terminate on December 1, 2008 (the "Termination Date"), or at such other tir
 herein.

OWNER INFORMATION:	SCHEDULES, SUPPLEMENTS AND OTHER ATTACHMENTS: (Mark only if included)
<u>Jonesboro Police Department</u>	Terms and Conditions
(Owner Name)	
<u>410 W. Washington Ave</u>	Addendum
(Address)	
<u>Jonesboro, Ar 72401</u>	
<u>(870)935-6710</u>	
(Phone)	

**THIS AGREEMENT INCLUDING ALL OF THE TERMS AND CONDITIONS SET FORTH ON THE ATTACH
 CONDITIONS, AND ALL OTHER ATTACHMENTS INDICATED IN THE BOX ABOVE, IS THE PARTIES' ENTI
 AND CANNOT BE MODIFIED EXCEPT IN WRITING BY THE DULY AUTHORIZED REPRESENTATIVES OF B**

EXECUTED on the date(s) indicated below:

Property Room, Inc.

By: _____

Date: _____

PropertyRoom.com, Inc.
 26421 Crown Valley Parkway, Suite 200 Mission
 Viejo, California 92691
 Phone: 800-799-2440

PropertyRoom shall keep the Property free of liens, security interests, and encumbrances, and shall pay when charges with respect to the Property; (iii) PropertyRoom shall sign and deliver to Owner any UCC-1 financing statements reasonably requested by Owner; (iv) PropertyRoom shall obtain and maintain insurance in an amount (Property Room) not less than the replacement value of Property in its possession. The insurance will cover the Property from theft, and extended coverage risks ordinarily included in similar policies. PropertyRoom shall give Owner a certificate of insurance upon Owner's request.

7. Owner's Obligations. Owner will use its best efforts to provide to PropertyRoom such Property as becomes available to the public. Owner will complete paperwork reasonably necessary to convey custodial possession of the Property to PropertyRoom, including a written manifest or list that describes the item of Property in sufficient detail for identification. Owner agrees that it will not provide Property that is illegal or hazardous, including but not limited to explosives, firearms, unauthorized copyrighted material ("knock-offs"), poisons or pharmaceuticals.

8. Restrictions on Bidding. PropertyRoom and its employees and agents may not directly or indirectly bid for or purchase auctioned Property on the PropertyRoom web site.

9. Representations and Warranties of Owner. Owner hereby represents, warrants and covenants as follows: (i) the Property is available for sale to the general public without any restrictions or conditions whatever; and (ii) all required actions under applicable law that are conditions precedent to Owner's right to transfer title to the Property (the "Conditions Precedent").

10. Books and Records. Property Room will keep complete and accurate books of account, records, and other documents in respect to this Agreement (the "Books and Records") for at least three years following expiration or termination. Upon reasonable notice, the Books and Records will be available for inspection by Owner, at Owner's expense, at the time the Books and Records are regularly maintained, during normal business hours.

11. Term and Termination. Unless terminated earlier, the term of this Agreement will begin on the Start Date and end on the Termination Date. This Agreement may be terminated if there is a breach by either party of any obligation, represented or warranted in this Agreement, upon thirty days prior written notice to the other party unless the breach is cured within the period, provided, however, if the breach is not capable of being cured within thirty days, the breaching party will have a reasonable amount of time to cure the breach if it begins to cure during the thirty day period and proceeds diligently thereafter. The rights of the parties to terminate this Agreement are not exclusive and remedies available at law or in equity, and such rights will be cumulative. The exercise of any such right will not preclude the exercise of any other rights and remedies. Notwithstanding any termination by either party, PropertyRoom will continue to remit amounts due to Owner under this Agreement in connection with any sale of Property effective date of the termination. At the time of termination, any unsold inventory shall continue to be auctioned by PropertyRoom and returned to Owner, at owner's election and cost.

12. Indemnification. Subject to the limitations specified in this Section 12, each party will indemnify, hold harmless and defend the other party and its agents and employees from and against any and all losses, claims, damages, liabilities, and reasonable expenses (including reasonable legal fees and expenses), judgments, fines and other amounts paid in settlement or damages suffered by any such person or entity arising out of or in connection with (i) the inaccuracy of any representation or warranty made by the party hereunder, (ii) any breach of this Agreement by the party, or (iii) any negligent act or omission by the party or its agents in connection with the performance by the party or its employees or agents of obligations hereunder, provided that such negligent act or omission was not done or omitted at the direction of the other party.

13. Limitations on Liability. UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), ARISING FROM BREACH OF THE AGREEMENT OR FROM THE SALE OF PROPERTY, OR ARISING FROM ANY OTHER PROVISION OF THIS AGREEMENT, SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR LOST BUSINESS (COLLECTIVELY, "DISCLAIMED DAMAGES"). EACH PARTY WILL REMAIN LIABLE TO THE OTHER PARTY TO THE EXTENT ANY DISCLAIMED DAMAGES ARE NOT EXCLUDED BY A THIRD PARTY AND ARE SUBJECT TO INDEMNIFICATION PURSUANT TO SECTION 12. LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, OBJECTIVELY MEASURABLE DAMAGES. THE MAXIMUM LIABILITY OF ONE PARTY TO THE OTHER PARTY FOR ANY CLAIMS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AGGREGATE AMOUNT OF PAYMENT OBLIGATIONS OWED TO THE OTHER PARTY BY THAT PARTY IN ANY YEAR IN WHICH LIABILITY ACCRUES; PROVIDED THAT EACH PARTY WILL REMAIN LIABLE FOR THE FULL AMOUNT OF ANY PAYMENT OBLIGATIONS OWED TO THE OTHER PARTY PURSUANT TO THIS AGREEMENT, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY. OWNER'S LIABILITY IS NOT

LIMITED UNDER THIS AGREEMENT WITH RESPECT TO LIABILITY ARISING FROM OWNER'S FAILURE TO S
ALL CONDITIONS PRECEDENT.

14. Notices. Any notice under this Agreement must be in writing. Initially the addresses of the parties will be a Property Room: PropertyRoom.com, Inc, Attn: Steven Lupinacci, President, 26421 Crown Valley Parkway, Suite 2 California 92691; and (ii) If to Owner: At the address stated below Owner's Signature block on the first page of this parties may, from time to time and at any time, change their respective addresses and each will have the right address any other address by at least ten days' written notice to the other party.

15. Severability. Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, that provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of the remaining provisions of this Agreement.

16. Complete Agreement. This Agreement and any related documents delivered concurrently herewith, constitute the entire agreement between the parties relating to the subject of this Agreement and supersede any prior understandings or representations by or between the parties, written or oral, which may be related to the subject matter hereof in any way.

17. Attorneys' Fees and legal Expenses. If any proceeding or action is brought to recover any amount under this Agreement or on account of any breach of, or to enforce or interpret any of the terms, covenants, or conditions of this Agreement, the prevailing party will be entitled to recover from the other party, as part of the prevailing party's costs, reasonable attorneys' fees and expenses which will be fixed by the court, and will be made a part of any judgment rendered.

18. Further Assurances. Property Room and Owner will each sign such other documents and take such actions as the other party reasonably request in order to effect the relationships, services and activities contemplated by this Agreement and to execute and document those activities.

19. Governing law. The internal law, and not the law of conflicts, of the state in which the Owner is located will govern the construction, validity and interpretation of this Agreement and the performance of the obligations under this Agreement. The proper venue for any proceeding at law or in equity will be the state and county in which the Owner is located. The parties waive any right to object to the venue.

20. Relationship of the Parties. The relationship created hereunder between Owner and Property Room will be that of independent contractors entering into an agreement. No representations or assertions will be made or actions taken that could imply or establish any agency, joint venture, partnership, employment or trust relationship between the parties with respect to the subject matter of this Agreement. Except as expressly provided in this Agreement, neither party will have the authority or power whatsoever to enter into any agreement, contract or commitment on behalf of the other, or to create any liability whatsoever on behalf of the other, to any person or entity. Whenever Property Room is given discretion in this Agreement, Property Room may exercise that discretion solely in any manner PropertyRoom deems appropriate.

21. Force Majeure. Neither party will be liable for any failure of or delay in the performance of this Agreement if such failure or delay is due to acts of God, public enemy, war, strikes or labor disputes, or any other cause beyond a party's reasonable control (each a "Force Majeure"), it being understood that lack of financial resources will not be a Force Majeure. Each party will notify the other party promptly of the occurrence of any Force Majeure event and will resume performance of this Agreement as promptly as practicable after such Force Majeure is terminated. The existence of any Force Majeure event will not terminate the term of this Agreement.

22. Counterparts. This Agreement may be signed in any number of counterparts.

Jonesboro, AR 72403
(870)935-0305