

The Imagination Factory, Inc. STANDARD DESIGN and/or CONSULTING SERVICES CONTRACT

This Agreement made effective this ____ day of _____, _____, by and between:

THE IMAGINATION FACTORY INC. (PROVIDER), maintains a principal place of business at 15 Ionia Ave. SW, Suite 220; Grand Rapids, MI 49503 USA. The PROVIDER is a Michigan corporation experienced in the design, development, and production in a variety of marketing media for corporate communications and training.

And: _____ (CLIENT) maintains a principal place of business at _____.

The CLIENT is a limited liability corporation/partnership/sole proprietor. (circle one).

AGREEMENT

PROVIDER agrees to provide certain services to CLIENT and CLIENT agrees to pay for those services upon the terms and conditions contained in this Contract.

In consideration of the facts set forth herein above, the mutual covenants and promises hereinafter recited and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows, to wit:

I. Definitions

1.1 Defined Terms. The terms used in this Agreement shall have the following meanings:

- (a) 'CONTRACT' means this Agreement including any attached Schedules and/or addenda;
- (b) 'CLIENT MATERIAL' means any material provided by the CLIENT to the PROVIDER for the purposes of this Contract including, but not limited to, documents, photos, sketches, diagrams, charts, equipment, information and data stored by any means;
- (c) 'PROVIDER' shall, where the context so admits, include the employees and subcontractors and agents of the PROVIDER;
- (d) 'PROJECT MATERIAL' means all material brought or required to be brought into existence as part of, or for the purpose of performing the WORK but is not limited to documents, photos, sketches, diagrams, charts, equipment, information and data stored by any means;
- (e) 'WORK' is defined to include any or all of the following as performed by the PROVIDER:
 - 1) Research, Marketing and technology consultation as required by the CLIENT and as indicated in Schedule 2 or subsequent addenda as may arise
 - 2) Create, design, develop and produce specific marketing communications as required by the CLIENT and as indicated in Schedule 2 and/or any subsequent addenda as may arise, which include but are not limited to:
 - Print and Electronic Publication
 - Audio/Visual Presentation
 - Electronic and/or Interactive Marketing
 - 3) Negotiate, on CLIENT'S behalf, placement of aforementioned marketing communications as mutually deemed appropriate.
 - 4) With respect to Internet marketing, Negotiate and/or Submit CLIENT's PROJECT to a variety of widely used Internet directories, indexes and/or search engines, et. al. PROVIDER has sole discretion to determine which directories are the most widely used Internet directories.

(f) 'INTELLECTUAL PROPERTY' includes all rights in copyright, patents, registered and unregistered trademarks, registered designs, trade secrets, know how, rights in relation to WORK and all other rights of intellectual property as defined in Article 2 of the Convention Establishing the World Intellectual Property Organisation of July 1967 and/or Section 102 of the Digital Millenium Copyright Act, December 1998;

1.2 Terminology. Words importing a gender include any other gender. Words in the singular number include the plural and words in the plural number include the singular.

1.3 Clause headings. Headings within this Contract are for convenient reference only and have no effect in limiting or extending the language of the provisions to which they refer.

II. WARRANTIES

2.1 Performance. PROVIDER represents and warrants to CLIENT that it has the experience and ability to perform the services required by this Agreement; that it will perform said services in a professional, competent and timely manner; that it has the power to enter into and perform this Agreement; and that its performance of this Agreement shall not infringe upon or violate the rights of any third party or violate any federal, state and municipal laws. However, CLIENT will not determine or exercise control as to general procedures or formats necessary to have these services meet CLIENT'S satisfaction.

2.2 Authorization. The CLIENT represents and warrants to PROVIDER that it will provide Client Materials as required in a professional, competent and timely manner; that it has the power to enter into this Agreement on behalf of CLIENT; and that its performance of this Agreement shall not infringe upon or violate the rights of any third party or violate any federal, state and municipal laws.

III. PAYMENT

3.1 Payment. CLIENT shall pay for WORK by any or a combination of the following methods:
(Please refer to Schedule 1 for complete payment options)

(a) Project Basis

1) WORK estimate as indicated in Schedule 2 payable in full immediately upon signing this Agreement, plus any/all project overruns payable upon completion (or earlier termination thereof) of WORK.

2) Initial Deposit against WORK estimate as indicated in Schedule 2 , payable immediately upon signing this Agreement, plus Progress payment against WORK estimate upon CLIENT approval or other mutually agreed milestone, plus balance owed (final due plus any/all approved overruns) upon completion.

IV. TERMINATION

4.1 Base Term. The PROVIDER's and the CLIENT's obligations under this Agreement shall remain in force until all obligations under this Contract have been properly completed or for one (1) full calendar year from the date thereof unless otherwise specified in Schedule 2 or the Contract is sooner terminated by other applicable provisions.

4.2 Renewal. The PROVIDER's and the CLIENT's obligations under this Contract can be renewed for an additional year(s) at the option of the CLIENT, unless the Contract is sooner terminated for other applicable reasons. Such option shall be exercised in writing by the CLIENT no less than thirty (30) days prior to the termination date.

4.3 Termination. The Contract may, at any time by written notice, be terminated, in whole or in part, by either party. If this Contract is so terminated, the CLIENT shall be liable for:

(a) Payments under Section 3 (payments) and Schedule 2 provisions for WORK rendered prior to the effective date of aforesaid termination.

(b) Any reasonable costs and expenses incurred by the PROVIDER and directly attributable to the termination or partial termination of this Contract.

4.4 Reduction. Upon receipt of such termination notice, the PROVIDER shall:

- (a) Stop WORK as specified in the notice;
- (b) Take all available steps to minimize loss resulting from that termination;
- (c) Continue WORK on any part of the Contract not affected by the notice.

4.5 Termination Due to Default. If either party shall be in material default of any obligation hereunder, the other party may terminate this Contract by giving thirty (30) days' written notice (with appropriate proof of delivery/transmission) specifying the basis for termination. If within thirty (30) days after the receipt of such notice the party who received notice shall remedy the condition forming the basis for termination, such notice shall cease to be operative, and this Agreement shall continue in full force and effect.

4.6 Continuing Obligations. Termination of this Contract shall not terminate any of the then existing obligations of either party under this Agreement.

V. GENERAL

5.1 Intellectual Property. Subject to any agreement to the contrary, the title to any Intellectual Property right in or in relation to Client Material shall vest upon its creation in the CLIENT and if requested by the CLIENT so to do, the PROVIDER shall bring into existence, sign, execute or otherwise deal with any document which may be necessary to enable the vesting of such title or rights to the CLIENT.

5.2 Transfer. On the expiration or earlier termination of this Contract, the PROVIDER shall deliver to the CLIENT all Client Material and, if necessary, transfer any Intellectual Property to the CLIENT. Under no circumstance shall any PROVIDER Intellectual Property rights be transferred to the CLIENT without appropriate recompense pursuant to Section 3 (payment) of this Agreement and/or attached Schedules and addenda.

5.3 Disclosure of Information. The PROVIDER shall ensure that the Client Material is used, copied, supplied or reproduced only for the purposes of this Contract. The PROVIDER shall be responsible for the safe keeping and maintenance of CLIENT Material.

- (a) The PROVIDER shall not, without the prior written approval of the CLIENT, disclose to any person other than the CLIENT, any Client Material. In giving written approval the CLIENT may impose such terms and conditions as it thinks fit.
- (b) The PROVIDER shall not, without the prior written approval of the CLIENT, disclose to any person other than the CLIENT, any and all Project Material until such time as aforesaid material is made public. PROVIDER retains all rights to show WORK as deemed necessary to demonstrate PROVIDER capabilities.

5.4 Third Party Property. The CLIENT will inform the PROVIDER of any CLIENT Material produced for and on behalf of the CLIENT in which third parties hold the copyright and of any conditions attaching to the use of that material because of that copyright. The PROVIDER shall use that material only in accordance with those conditions.

The parties acknowledge that the WORK performed by PROVIDER hereunder may incorporate the use of software/materials of third parties ("Third Party Property"). PROVIDER shall be responsible for determining and shall advise CLIENT of any licenses and/or separate fees that may be required, if any before they are incurred, and shall receive CLIENT's prior written consent before incurring such expense, in connection with the WORK hereunder. CLIENT, with assistance of PROVIDER, will execute such license agreements as the Third Party licensors may require in order to allow CLIENT to make, use and sell any WORK containing Third Party Property. PROVIDER shall be responsible for all costs in connection with all Third Party Property license agreements under this Agreement, except for Third Party Property incorporated specifically at CLIENT's request or requirement.

5.5 Indemnity. The PROVIDER shall indemnify, defend and hold harmless CLIENT, its officers, employees and agents from and against all actions, claims demands, costs and expenses (including the costs of defending or settling any action, claim or demand) made sustained, brought or prosecuted in any manner based upon, occasioned by or attributable to any injury to any person (including death) or loss of or damage to property or person which may arise from or be a consequence of any negligent action or inaction or omission of the PROVIDER, its officers, employees or agents in carrying out the WORK.

The CLIENT shall indemnify, defend and hold harmless PROVIDER, its officers, employees and agents from and against all

actions, claims demands, costs and expenses (including the costs of defending or settling any action, claim or demand) made sustained, brought or prosecuted in any manner based upon, occasioned by or attributable to any injury, loss of or damage to any property or person which may arise from or be a consequence of any error or omission of the CLIENT, its officers, employees or agents in completion of the WORK.

5.6 Conflict of Interest. The PROVIDER warrants that, at the date of signing this Contract, no conflict of interest exists or is likely to arise in the performance of its obligations under this Contract. If, during the term of this Contract, a conflict or risk of conflict of interest arises, the PROVIDER undertakes to notify the CLIENT immediately in writing of that conflict or risk.

5.7 Agency. The PROVIDER acknowledges that the services rendered under this Contract shall be solely as an independent contractor. The limitation of the PROVIDER as a result of or in any transaction under or relating to this Contract shall not, in any way, pledge the other's credit or incur any obligation on behalf of the other party. The PROVIDER further acknowledges that it is not considered an affiliate or subsidiary of the CLIENT and is not entitled to any CLIENT employment rights or benefits. It is expressly understood that this undertaking is not a joint venture.

5.8 Works Made for Hire. Except for Third Party software that is incorporated in the WORK, the PROVIDER agrees that any completed final WORK performed by PROVIDER or its employees or subcontractors under this Agreement shall be considered a "work made for hire" as that term is defined in the Copyright Law of the United States of America and that CLIENT is entitled to claim authorship of such material and ownership of the copyright. To the extent not assigned by operation of law, PROVIDER agrees to assign or cause its employees or subcontractors to assign to CLIENT all right, title and interest in the final WORK, including all copyrights, and to execute any assignments, or other documents, presented to PROVIDER by CLIENT relating to this assignment of copyrights. PROVIDER represents and warrants that its contribution hereunder is solely created by PROVIDER, its employees or subcontractors and PROVIDER is the originator of such contribution.

5.9 Identification. At PROVIDER'S sole discretion, all WORKS shall provide identification of PROVIDERS involvement (as graphic designer, illustrator, web design and/or host, etc.). Aforesaid identification may or may not be accompanied by PROVIDER logomark. In the case of internet design, aforesaid identification shall also link back to PROVIDER internet site (www.what-if.com). PROVIDER retains all rights to promote its involvement in CLIENT WORK which include, but are not limited to, WORK sample display; written, visual, oral, and/or interactive discussion/reference to WORK; written, visual, oral and/or interactive reference to CLIENT; internet link to CLIENT where appropriate and/or possible.

VI. MISCELLANEOUS

6.1 Assignment. This Agreement is not assignable by the CLIENT without the prior written consent of the PROVIDER, which shall not be unreasonably withheld. The PROVIDER may not assign its obligations under this Agreement, but may assign its rights and privileges.

6.2 Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the parties, their heirs, personal representatives, successors and assigns.

6.3 Entire Agreement. This Agreement constitutes the full understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements with respect to such matters. There are no representations or warrants made by either party with respect to the subject matter hereof except as specifically set forth in this Agreement. No terms, covenants, conditions, understandings or agreements purporting to modify or vary the terms of this document shall be binding unless hereinafter made in writing and signed by both parties hereto.

6.4 Impossibility of Performance. Neither party hereto shall be liable in damages or have the right to terminate this Contract for any delay or default in performing hereunder including the obligation of the CLIENT to make payments hereunder, if such delay or default is caused by conditions beyond its control including, but not limited to, acts of God, government restrictions, wars or insurrections, strikes, fires, floods, work stoppages, and/or lack of materials.

6.5 Severability. The parties agree that if any part, term, or provision of this Agreement shall be found illegal or in conflict with any valid controlling law, the validity of the remaining provisions shall not be affected thereby. In the event the legibility of any provision of this Contract is brought into question because of a decision by a court of competent jurisdiction of any state or country in which this Contract applies, the PROVIDER, by written notice to the CLIENT, may revise the provision in question or may delete it entirely so as to comply with the decision of said court. However, should the severance of such provision or provisions substantially adversely affect the primary purpose of this Contract, this Contract may be canceled upon thirty (30) days' written notice by either party to the other.

6.6 Waiver, Modification. The waiver of a breach hereunder may be effected only by a writing signed by the waiving party and shall not constitute a waiver of any other breach. A provision of this Contract may be altered only by a writing signed by both parties.

6.7 Cooperation. Each party shall execute any instruments reasonably believed by the other party to be necessary to implement the provisions of this Contract, including any registered user agreements.

6.8 Governing Law. This Contract shall be construed in accordance with the substantive laws of the State of Michigan of the United States of America, except the questions affecting the construction and the effect of any copyrights shall be determined in accordance with the law of the issuing country.

6.9 Notices. Any notices to be given hereunder shall be given by certified or registered mail, return receipt requested, verifiable facsimile or email and considered effective on the date of mailing or transmission. Any notice or communication hereunder shall be sent to the appropriate addresses as set forth herein.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date set forth herein above.

the IMAGINATION FACTORY

CLIENT

by: _____

by: _____

TED BAILEY, President/CEO

signature

Name and Title of Authorized officer of CLIENT

The Imagination Factory

SCHEDULE 1

GENERAL FEES and RATES (effective Jan. 2014)

HOURLY RATES

TECHNOLOGY CONSULTING	\$150 USD/HR
DATABASE / CGI CONSULTING	\$150 USD/HR
2D / 3D ANIMATION & MODELING	
& INTERACTIVE MULTIMEDIA (CD-ROM, CDI, DVD, Kiosks, etc),	\$125 USD/HR
GRAPHIC DESIGN / ILLUSTRATION	\$125 USD/HR
INTERNET / WEB DESIGN	\$125 USD/HR
VIDEO PRODUCTION	\$125 USD/HR

DAY RATES and RETAINERS

ONE HALF (1/2) DAY [4 HOURS]	\$ 475 USD
FULL DAY (1) DAY [8-10 HOURS]	\$ 975 USD

INTERNET/NETWORK CONSULTING/DESIGN RETAINER

Project, Monthly and Annual retainers are also available on a quoted basis. CLIENT shall be billed on a regular basis according to a fixed block of specific hours over a defined period of time at a fixed rate per hour. Variable options include:

- Services shall be provided on-call (within reason)
- Services shall be provided on a fixed schedule per day/week/month w/minimum of 24hr change notice by either party.

All rates and fees are expressed in dollars U.S. All travel and/or incidental expenses shall be itemized and billed additional. CLIENT approved overruns shall be billed in the final invoice, per the payment terms of this agreement.

STANDARD TERMS

Payment terms (as determined by project length, credit status, etc.) shall be either:

- Deposit as defined in Schedule 2 shall be due at the initiation of the project. A progress billing shall be due upon client review/approval. The final payment (plus/minus approved variations and expenses) shall be due Net 15 days following delivery* of the final materials/project. A 2% discount on the entire project cost is offered on final payments within 10 days.

Or:

- All accounts are due and payable within 15 days of the project delivery/acceptance. A 2% discount is offered for complete and final payments within 10 days.

All projects are considered past due after 30 days and subject to an effective 18% annual finance charge. Accounts past due 60 days or greater may be referred to collections and/or initiate legal proceedings to secure payment for work done in good faith. All finance and NSF (insufficient funds) charges, rebilling fees, and/or any collection and legal fees are the clients' responsibility for ALL overdue accounts. In the event of a project cancellation, a cancellation fee for the work completed may be charged based upon the original project quote/estimate and the expenses incurred.

Final project copyrights shall be transferred to the client as appropriate and agreed to by both parties. The transfer of any and all rights is conditioned upon full payment per terms above. The Imagination Factory, Inc. retains authorship of all original artwork, animation, and/or interactive coding of its or its agents creation, whether preliminary or final. Alteration or conversion to other media formats is prohibited without express permission of an authorized officer of the Imagination Factory, Inc. its successors or assigns.

Client waives the right to challenge the validity of ownership of the Project Materials subject to this agreement due to any change or evolution of the law.

* If project is substantially delayed due to CLIENT failure to meet milestone obligations, PROVIDER may revert to monthly progress billings for WORK to date. If projects is substantially completed to specifications and awaiting final client content or approval, the PROVIDER may, at their option, issue the final billing LESS an appropriate holdback of hours (necessary to finalize, launch and/or train). Upon launch, any remaining balance shall be billed and due Net 15 days,

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SCHEDULE 2

PROJECT DETAIL

PROJECT SCOPE:

Phase I: _____

Phase II: _____

PROJECT COST:

(see detail in attached estimate document)

1. PRE-DESIGN CONSULTATION

- Initial concept and/or proposal development

2. DESIGN/DEVELOPMENT

- Refer to the PROVIDER's eight (8) phase design process as outlined in the project proposal

3. POST DESIGN

Media Placement

- PRINT - PROVIDER may assist CLIENT in obtaining media placement
- INTERNET - See Web Hosting and/or Consulting Agreement (separate)

Revisions

- Any site changes, modifications or maintenance are to billed in addition and separately
- May be ala carte or fixed retainer

Web Hosting

- PROVIDER may host
- PROVIDER may assist CLIENT in securing alternate web host location

Web Consulting - Assist CLIENT in:

- Research Domain Name as needed
- Assist CLIENT in promoting Site
 - Research keyword and pay for position programs
 - No guarantee is made regarding placement:
 - Obtain reciprocal and fee-bearing sponsorships
 - Research competitive and allied sites

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SCHEDULE 3

INTERNET SITE HOSTING, MAINTENANCE, & MANAGEMENT

SITE HOSTING

PROVIDER currently owns, operates and maintains its own internet server(s) connected to the internet via one (or more) third party internet access provider(s). PROVIDER offers to host (place CLIENT website) on said server(s) such that it be accessible to the internet population per the following guidelines and rates.

RATES:

CLIENT shall be provided basic (unsecure) server storage space at the rate indicated in the table below for a period of one (1) year from the date of this agreement. Unless notified 30 days prior to term end, this hosting agreement shall renew at the same rate annually. Additional storage space (in 25mb blocks at same rate) may be made available as the site needs dictate. Secure Socket Layer (SSL) space is available separately and in addition to aforementioned public web space at rates indicated below. PGP encrypted data transmission is available at an additional fee (see table). Space requirements shall include, but not limited to all site page markup languages (HTML, etc.), scripts (CGI, JAVA, JAVASCRIPT, PERL, PHP, etc.) and logs (user access and/or error logs). CLIENT shall be invoiced for the month's service in advance at the beginning of each month. Standard payment terms apply. PROVIDER reserves the right to adjust as necessary due to increased costs such as new/increased internet fees, surcharges, taxes, etc.

- High Speed Unsecure Public Web Space* \$50/mo, or \$550/yr *
- Secure Socket Layer (SSL) Web Space* included
- PGP encrypted form data transmission* \$10/mo (\$100 setup)
- Domain Parking \$ 75/yr

* Hosting fee is per 25mb webspace or per 100mb combined webspace, mailbox & traffic log space. Domain registration or relocation, SSL and PGP may require setup charges separate and additional to hosting fees.

At the sole discretion of the PROVIDER, CLIENT shall be provided the following features/services as part of the hosting agreement:

- Site Statistics - publicly accessible by CLIENT as a separate web page (available only to registered domains) indicating visitor frequency by day, hour, location, domain and/or page accessed.
- Password Protection - Password access to specific CLIENT public site areas (ie intranet/extranet). Password setup and management fee additional.
- FTP access - passworded access to site files by CLIENT (optional)
- PROVIDER shall make every reasonable effort to protect and backup data for CLIENT on a regular basis, however, CLIENT is ultimately responsible for site code and data.

SITE MAINTENANCE/MANAGEMENT

It is periodically necessary to make changes and/or modifications to the content due to changes in CLIENT products/services offered to the public, CLIENT personnel or CLIENT policies or to enhance the site's freshness and attractiveness to visitors. CLIENT may elect/request PROVIDER to perform aforesaid changes according to the following rates and guidelines.

- ALA CARTE (automatically in effect unless superseded by services retainer or maintenance plan):
 - Programming modifications - \$125/hour
 - Design modifications - \$125/hour
 - Text/Content modifications - \$125/hour
- MAINTENANCE PLAN (text/content changes only, design changes/new pages may be subject to design fee):
 - Premier Plan - 5 to 10% of site design fee per month (per attached quote)
 - unlimited changes/updates/modifications per page per month
 - updates online within 24-48 hrs of receipt (if/when reasonably possible)

All CLIENT content updates (photos, graphics, artwork, text, etc.) shall be provided to PROVIDER in electronic form. Postage and handling fees shall be the responsibility of the CLIENT. If provided in printed or hardcopy format, PROVIDER shall convert said material as needed for an additional fee at the prevailing ALA CARTE design rate.

HOSTING/MAINTENANCE WARRANTIES:

PROVIDER exercises no control whatsoever over the content of the information passing through the network. PROVIDER makes no warranties or representations of any kind for the services being offered. The service is provided on an "as is" and "as available" basis without warranties of any kind, either express or implied, including but not limited to warranties of title, non-infringement, or implied warranties of merchantability or fitness for a particular purpose. No advice or information given by PROVIDER or its agents or employees shall create a warranty. PROVIDER offers no warranty that the service will be uninterrupted or error free or that any information, software or other material accessible on the service is free from viruses or other harmful components. PROVIDER makes no guarantee of end-to-end bandwidth.

While PROVIDER shall make every reasonable effort to protect and backup data for CLIENT on a regular basis, PROVIDER is not responsible for CLIENT's files residing on PROVIDER's server(s). CLIENT is solely responsible for independent backup of data stored on or transmitted via PROVIDER's computers. PROVIDER reserves the right to monitor any and all communications through or with our facilities. CLIENT agrees that PROVIDER is not considered a "secure communications medium" for the purposes of the ECPA, and that no expectation of privacy is afforded.

Notice of Possible Breach. CLIENT must promptly notify PROVIDER if CLIENT becomes aware of a potential breach of security, such as the unauthorized disclosure or use of CLIENT's user name or password.

UNDER NO CIRCUMSTANCES WILL PROVIDER, OR ITS AFFILIATE, THEIR SUPPLIERS OR LICENSORS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND AFFILIATES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, BASED ON CLAIMS OF CUSTOMER, ITS APPOINTEES OR ITS OR THEIR CUSTOMERS (INCLUDING, BUT NOT LIMITED TO, UNAUTHORIZED ACCESS, DAMAGE, OR THEFT OF YOUR SYSTEM OR DATA, CLAIMS FOR LOSS OF GOODWILL, CLAIMS FOR LOSS OF DATA, USE OF OR RELIANCE ON THE SERVICE, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS, OR DAMAGE CAUSED TO EQUIPMENT OR PROGRAMS FROM ANY VIRUS OR OTHER HARMFUL APPLICATION), ARISING OUT OF BREACH OR FAILURE OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. IN NO EVENT WILL THE AGGREGATE LIABILITY THAT PUBLIC IP NETWORK OR ITS OWNERS MAY INCUR IN ANY ACTION OR PROCEEDING EXCEED \$100. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS SET FORTH IN THIS SECTION WILL NOT APPLY ONLY IF AND TO THE EXTENT THAT THE LAW OR A COURT OF COMPETENT JURISDICTION REQUIRES LIABILITY UNDER APPLICABLE LAW BEYOND AND DESPITE THESE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS.

CLIENT agrees to indemnify and hold harmless PROVIDER, its owners, and its and their suppliers and licensors, officers, directors, employees, agents and affiliates from any claim, liability, loss, damage, cost, or expense (including without limitation reasonable attorney's fees) arising out of or related to your use of the Service, any materials downloaded or uploaded through the Service, any actions taken by you in connection with your use of the Service, any violation of any third party's rights or an violation of law or regulation, or any breach of this agreement. This Section will not be construed to limit or exclude any other claims or remedies that PROVIDER may assert under this Agreement or by law.

If CLIENT is dissatisfied with PROVIDER service or any of its terms, conditions, rules, policies, guidelines, or practices, CLIENT's sole and exclusive remedy is to discontinue using the service. Should CLIENT wish to relocate site to another HOST, CLIENT agrees to provide 30 days advance notice to PROVIDER when and where possible. CLIENT assumes full responsibility for site relocation and PROVIDER offers no guarantee of site operability on servers other than those of the PROVIDER. PROVIDER shall not impede said relocation of site. PROVIDER shall maintain site operability, within previously stated limits and warranties, during the transition period and CLIENT agrees to pay for the entire month of overlap hosting during said transition.

CLIENT understands that by placing information on PROVIDER' servers that such information becomes available to all Internet users and that PROVIDER has no way of limiting or restricting access (except as designed into the website) to such information or protecting such information from copyright infringement. CLIENT assumes total responsibility and risk for use of PROVIDER' servers and the Internet. It is solely CLIENT responsibility to evaluate the accuracy, completeness, and usefulness of all opinions, advice, services and other information, and the quality and merchantability of all merchandise provided through PROVIDER or on the Internet generally.

NO INTERFERENCE WITH OPERATION OF SYSTEM

CLIENT agrees not to maliciously or intentionally interfere with the proper operation of the system, including but not limited to defeating identification procedures, obtaining access beyond that which CLIENT is authorized, and impairing the availability, reliability, or quality of service for other customers. CLIENT further agrees not to interfere with the proper operation of other systems reachable through the Internet, including any attempt at unauthorized access. CLIENT agrees to follow the Acceptable Use Policy of any network or service connected. CLIENT agrees to adhere to system policies as published online by PROVIDER, including restrictions on services available with each account type, restrictions on certain features, and all other policies designed to protect and enhance the quality and reliability of service at PROVIDER. CLIENT agrees to abide by any and all future PROVIDER policy decisions.

IN WITNESS WHEREOF, the parties have executed this Contract (and/or Addendum or Schedule) as of the date set forth herein above.

the IMAGINATION FACTORY

by: _____

TED BAILEY, President/CEO

CLIENT

by: _____

signature

Name and Title of Authorized officer of CLIENT