



## HOSTING TERMS & CONDITIONS

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The following Hosting Terms and Conditions is by and between THINKING2, INC. (hereinafter "T2") and its Clients. These Hosting Terms and Conditions are in addition to T2's Website Legal Terms and Agreements.

### 1. Terms of Use

Please read these Terms of Use carefully. Client agrees to be bound by the terms hereto. T2 reserves the right to modify these Terms of Use at any time by posting modified Terms of Use, and your continued use of T2's services thereafter will constitute agreement with such modifications. T2's hosting services are expressly agreed to be a revocable license to the Client. Client's use of T2's services are at the sole discretion of T2. T2 may deny further use in T2's sole and absolute discretion.

### 2. Invoicing

T2 shall invoice the Client for services rendered in accordance with the terms and conditions set forth herein. Payments shall be automatically charged to the Client account provided in the Hosting Contract or the most current account information provided.

### 3. Payments

Payments may be made in the form of Cash, Certified Check/Money Order, Personal/Business Checks, Mastercard or Visa. Hosting services are pre-paid and are due within net 30 terms, generally prior to the renewal of the hosting cycle. Failure to remit payment within the net 30 will result in suspension of services, and a reinstatement fees.

Thinking2 may require a deposit and signed proposal for proposed work prior to commencing project. Contracts that are ongoing more than 30 days will be billed as outlined in the proposal, either along project milestones or on a monthly basis.

Payments made via credit card will abide by Refund Policies as outlined below. Refunds will be given as defined in the Refund Policies. Payments made via credit card will be subject to T2's online Terms & Agreements which can be found online at <http://www.thinking2.com/legal/terms.asp>, as well as with the current Thinking2 Hosting Terms & Conditions.

#### 3.1 Overdue Accounts

Failure to remit payment for pre-paid services within the net 30 will result in suspension of services, and a reinstatement fees.

Accounts past due more than net 30 (thirty) will incur a \$25.00 or 1.5% interest charge (whichever is greater). Statements will be sent to clients with these additional fees added to the total account balance. **Should a client remit payment for an account that is overdue and not include the late fees with payment, the invoice will remain open and late fees will continue to accrue of at least \$25 per month, until the account is current.**

In the event that payment is not received within sixty (60) days of the date of invoice, the account will be suspended and web and email services will be halted. The site may be removed at any time due to non-payment of services rendered. Reinstatement requires a \$75 reinstatement fee.

Thinking2 reserves the right to require full up-front payment before any new work may be done for accounts with a prior history of being consistently overdue.

Unpaid invoices may be tendered to a collections agent which shall result in further and additional fees to the principal sum due and owing to Thinking2, Inc., including but not limited to collection fees, penalties, interest and other amounts collectable pursuant to the terms hereof.

### 4. Client Conduct Generally

T2's services may only be used for lawful purposes. Any use of these services which violates any local, state, federal, or international laws which may apply to T2, the Client's local jurisdiction, or any jurisdiction that the Client or the Client's site may be subject to is strictly prohibited. When using T2 products or services, Client's may not: (1) Restrict or inhibit any other Internet user from using and enjoying the Internet; (2) Post or transmit any unlawful, threatening, abusive, libelous, defamatory, obscene, offensive, indecent, pornographic, profane, or otherwise objectionable information of any kind, including without limitation any transmissions constituting or encouraging conduct that would constitute a criminal offense, give rise to civil liability, or otherwise violate any local, state, federal or international law, including without limitation the U.S. export control laws and regulations, and laws protecting intellectual property including copyright, trademark, trade secret, misappropriation and anti-dilution laws; (3) Post, publish, transmit, reproduce or distribute any information or software which contains a virus or other harmful component; (4) Post, publish, transmit, reproduce, distribute or in any way exploit any information, software, or other material obtained through the service for commercial purposes (other than as expressly permitted by the provider of such information, software, or other material).



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### 5. CPU Usage

Client agrees and understands that T2's hosting services are a "shared" service making costs most efficient for the Client. As a shared service, Client understands and agrees that T2 has the right to control and dictate the amount of resources dedicated to Client's needs and in the event of resource depletions by Client's usage, T2 may modify, change or alter T2's resources allocated to Client's usage in T2's sole and absolute discretion.

Client agrees that it shall abide by T2 guidelines with respect to the appropriate amount of CPU processing on any T2 server or such servers used by T2. Determination of such guidelines is within the sole and absolute discretion of T2. The Client will be advised of such guidelines, which will be provided herein, as well as within T2's Website Terms and Conditions. The Client's violation of the CPU usage guidelines may result in the termination of the Hosting Contract between T2 and Client without prior notice to the Client. In the event T2 elects to terminate the Contract with the Client on this basis, the Client shall not be entitled to a refund of any fees, including but not limited to start-up fees and fees paid to T2 for work completed prior to termination.

### 6. Band Width Usage

Client agrees that band width usage shall not exceed the number of megabytes per month as set forth in the Hosting Contract. This usage shall be monitored by T2 and shall be measured on the HTTP port. Any band width usage in excess of the agreed upon number of megabytes per month may result in immediate termination of the Hosting Contract at the sole and absolute discretion of T2. In the event that T2 elects to terminate the Hosting Contract on this basis, the Client shall not be entitled to a refund. Should the Client desire to purchase additional band width, such Bandwidth may be purchased from T2 at \$ .04 per 1 MB.

### 7. Prohibition on Bulk Email / Spamming

Client shall not engage in any bulk emailing or use of the mail servers or mail relays (commonly referred to as "spamming"). In the event Client engages in such activity, T2 may elect to terminate the Hosting Contract without prior notice. Client shall not be entitled to a refund. Forwarding ten (10) unsolicited pieces of mail within a twenty-four (24) hour period shall be considered "spamming." The Client shall be liable to T2 for any and all damages incurred by T2 as a result of Client's failure to comply with this provision. Client hereby expressly agrees to indemnify, defend and hold harmless T2 from any and all claims, actions, losses or liability resulting from Client's spamming.

### 8. Back Up of Data

T2 is not responsible for files and data residing on the Client's web site. The Client shall have full responsibility for any and all data transferred to or from Client's web site and Client shall be responsible for maintaining any and all appropriate backup of files and data stored on T2 servers that Client deems appropriate in Client's sole and absolute discretion. T2 shall have no responsibility to back up Client's data. T2 does offer a backup service for all of its Clients at a cost of one hundred dollars (\$100.00) per backup. Shipping fees are not included in the \$100.00 backup charge.

### 9. Integrity, Credibility and Genuineness of Information

Client is solely responsible for validating and verifying the integrity, credibility and genuineness of the information and the data it sends and receives or transmits over the Internet on its web site.

### 10. Service Guarantee

T2 will credit an additional month of service to Client's account in the event that service is interrupted for more than 1% of a years total hours of operation, provided such interruption is due to conditions other than scheduled maintenance. Credit will not exceed \$25 per month and does not include additional services or storage. Credit will be issued at the close of the current Hosting Contract and will become void if Client terminates or breaches these Hosting Terms and Conditions before the completion of one year of service.

### 11. Hosting Contract Termination

Either party may terminate the Hosting Contract without cause upon thirty (30) days written notice to the other party. E-mail shall be deemed adequate notice by either party. Nothing in this paragraph, however, shall limit T2's right to terminate the Hosting Contract immediately and without prior notice for cause, including but not limited to improper CPU usage, improper band width usage, bulk email, spamming and nonpayment of fees. In the event T2 elects to terminate the Hosting Contract as a result of Client's breach of the Hosting Terms and Conditions contained herein, Client shall not be entitled to a refund of any amounts paid to T2 including but



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not limited to amounts paid as set up fee or amounts paid for work performed by T2 prior to termination. In the event that T2 elects to terminate the Hosting Contract without cause, Client shall receive a full refund of all fees paid to T2 during the month of termination, save and except set up fees. In no event shall Client be entitled to a refund of the set up fee. In the event Client elects to terminate the Hosting Contract in accordance with the notice provision set forth herein, Client shall not be entitled to any refund of any kind, including but not limited to amounts paid for a set up fee or any work performed by T2 to the date of termination. Similarly, in the event Client fails to terminate the Hosting Contract in accordance with the notice provision set forth herein, Client shall not be entitled to any refund of any kind, including but not limited to amounts paid for a set up fee or any work performed by T2 to the date of termination.

### 12. Breach of Hosting Terms and Conditions

Client will be in breach of the Hosting Terms and Conditions for acts and omissions including but not limited to: 1) improper CPU usage, 2) improper Client band width use, (3) use of a T2 created web site for spamming, and (4) nonpayment of fees. In the event of such breach, T2 may terminate the Hosting Contract immediately without notice to Client, Client shall be liable to T2 based on the indemnity provisions hereof, and Client will not be entitled to a refund of fees of any kind.

### 13. CMS Service Use Policy

Thinking2 has created a proprietary CMS system that is only available from Thinking2, Inc. on Thinking2 servers and is the sole property of Thinking2, Inc. Thinking2 developed this service to create custom and cutting edge CMS websites for our clients at exceptional prices. Clients that use the Thinking2 CMS to update and manage their site must agree to the following terms. All Clients and their permitted Users should be familiar with these terms.

The Thinking2 CMS is a leased service offered by Thinking2 to its clients. By using the Thinking2 CMS you agree to abide by the CMS Service Use Policy.

The Thinking2 CMS is the sole property of Thinking2 and shall not be altered or tampered with in any way. Clients do not have any rights to the Thinking2 CMS system or services provided by Thinking2 that allow the website, data and CMS to interact. In the event a client wishes to remove their website from Thinking2 services the website and database information can be provided for an additional fee. Violations of the above mentioned guidelines, whether intentional or unintentional, will be prosecuted to the full extent of the law.

### 14. Liability

Client agrees that T2 shall not be responsible for and shall incur no liability for the services, data or information provided to the public on the Internet by the Client, including but not limited to any liability for consequential, indirect, special or incidental damages incurred by the Client. Client further agrees that T2 shall not be liable for any damages or losses sustained by Client for business or other activities conducted on the Internet, including but not limited to consequential, indirect, special or incidental damages. Client shall not hold T2 liable for any loss of business, lost opportunity, consequential, indirect, special or incidental damages as a result of any interruption in service of any kind for any reason.

Client and its owners, affiliates, subsidiaries and agents hereby forever release and waive any and all claims of every nature and kind whatsoever, known and unknown, suspected or unsuspected, and all rights under California Civil Code § 1542, individually or collectively, that Client may have (the "Claims") against T2.

Client and its owners, affiliates, subsidiaries and agents hereby expressly acknowledge that to the extent that the state of California govern the relationship of the parties Client and its owners, affiliates, subsidiaries and agents are fully familiar with California Civil Code § 1542 which reads as follows:

**"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."**

### 15. No Warranties

T2 makes no warranties or representations of any kind for the services being offered. The services are provided 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 T2 or its agents or employees or possible subcontractors shall create a warranty. T2 provides 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. Under no circumstances shall T2 be liable for any direct, indirect, special, punitive, or consequential damages that result in any way from your use of or inability to use the service, or for third parties' use of the service to access the Client's web site, or to access the Internet or any part thereof, or the Client's or any third parties' reliance on or use of information, services, or merchandise provided on or through the service, or that result from mistakes, omissions, interruptions, deletion of files, errors, defects, delays in operation or transmission, or any failure of performance. If the Client dissatisfied with T2 service or any of its terms, conditions, rules, policies,



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guidelines, or practices, the Client's sole and exclusive remedy is to terminate the Hosting Contract in accordance with the notice provisions contained herein.

### 16. Account Security

Client understands that the Internet and other various networking communications are not secure, unless explicitly specified as such. T2 makes no warranties of any kind, either express or implied. In no event shall T2 be liable for consequential, indirect, special or incidental damages incurred by the Client. In no event shall T2's liability exceed the total cost of this contract between T2 and the Client. Client shall be solely responsible for protecting the security of its Internet account and usage. Client's password shall be considered private information and shall not be disseminated or in any other manner disclosed and/or transferred to third parties. T2 shall not be liable for any breach of security caused by the Client or third parties. T2 will use its best efforts to maintain the integrity and security of Client's passwords, but as noted above, the Client alone is responsible for the security of the Client's Internet account and web site.

### 17. Applicable Laws

Client will ensure that its use of the Internet and any services requested by T2 complies with all applicable federal, state and local laws and regulations, including but not limited to all laws pertaining to copyright, trademark proprietary information, intellectual property rights, defamation, tortuous interference with business, invasion of privacy, and pornography. It shall be within the sole discretion of T2 to determine what constitutes pornographic or inappropriate material. In the event the Client violates this provision, T2 may consider such violation a breach of the Hosting Terms and Conditions, which shall entitle T2 to terminate the Hosting Contract immediately without prior notice. In the event of such termination, the Client is not entitled to a refund of any kind.

### 18. Domain Name Fees

Client shall be responsible for all costs and fees associated with its domain name, including but not limited to all costs and fees for moving the name.

### 19. Indemnification

Client agrees to indemnify, defend and hold harmless T2 in any and all actions, claims or disputes which arise as a result of Client's requested services, and/or use of T2's services without limitation or exception. No legal action must be commenced against T2 for Client's indemnity, defense and hold harmless provision to have effect. Such indemnity shall be effective from the first instance of any and all disputes alleged. T2 shall have the right to choose the legal counsel for defense of any claim and Client will reimburse T2 on a monthly basis for such legal fees and costs as such are incurred.

### 20. Jurisdiction and Governing Law

The parties agree that this Agreement shall be governed by the laws of the State of California. Any and all disputes, claims or other differences arising out of or relating to Agreement shall be litigated in the Superior Court of California, Los Angeles County, Van Nuys / Northwest District venue.

### 21. Severability

If any provision of this agreement is determined to be invalid or unenforceable, all other provisions shall remain in full force and effect and said provision shall be reformed only to the extent necessary to make it enforceable.

### 22. Modification

The Hosting Terms and Conditions mentioned herein may be modified at the sole discretion of T2.

### 23. Entire Agreement

These Hosting Terms and Conditions supersede all other such terms and conditions or agreements previously made between the parties pertaining to the subject matter of these Hosting Terms and Conditions. This Agreement, and any Exhibits attached hereto, represent the entire Agreement between the parties in connection with the transactions contemplated hereby and the subject matter hereof and this Agreement supersedes and replaces any and all prior and contemporaneous agreements, understandings and communications between the parties, whether oral or written, with regard to the subject matter hereof. There are no oral or written agreements, representations or inducements of any kind existing between the parties relating to this transaction which are not expressly set forth herein. This Agreement may not be modified except by a written agreement signed by both parties. Without



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limiting the foregoing, the parties expressly acknowledge and agree that they have not relied on any written or oral statements made by the other party, or their respective agents, in entering into this Agreement.

### 24. Renewal

If not cancelled by T2, these Hosting Terms and Conditions will automatically self-renew for the terms provided in the Hosting Contract. The Client's failure to properly notify T2 within thirty (30) days of its objections to any of the terms and conditions set forth herein shall constitute the Client's acceptance of the same. These Hosting Terms and Conditions shall automatically renew unless otherwise cancelled or terminated at the sole discretion of T2 in accordance with the provisions set forth herein. In the event these Hosting Terms and Conditions are automatically renewed, Client agrees to be bound by the Hosting Terms and Conditions currently in effect. T2's current Hosting Terms & Conditions and Website Terms & Agreements can be viewed at [www.thinking2.com](http://www.thinking2.com).

### 25. Acknowledgment

By using and continuing to maintain or place information on T2 servers and/or utilize T2 services the Client states and acknowledges that it has read the aforementioned terms and conditions and that it understands such terms and conditions and agrees to be bound by them.