

TERMS OF AGREEMENT

These are the Terms of Agreement between iLOCAL Marketing, Inc/Marketing Puget Sound (DBA of iLocal Marketing, Inc) and the individual or entity identified on the Marketing Order as "Client", iLOCAL Marketing, Inc/Marketing Puget Sound. /Marketing Puget Sound is hereinafter referred to as "iLOCAL/Marketing Puget Sound". The party identified on the Marketing Order as Client is hereinafter referred to as "Client." Client and iLOCAL/Marketing Puget Sound are sometimes referred to collectively in this Agreement as the "Parties." Client desires to engage iLOCAL/Marketing Puget Sound in specific Services, the scope of which is set forth on the Marketing Order. The Marketing Order shall be, and hereby is, incorporated into this Agreement by this reference. To carry out these purposes, the Parties agree as follows:

SECTION ONE. Definitions Agreement: This Terms of Agreement form.

Base Price: The price set forth on the Marketing Order for Services in the Design Phase (i.e. one-time- charges). Accordingly, this term does not apply to monthly monitoring, hosting and Maintenance, call tracking or other ongoing Services.

Contract Term: The initial term set forth on the Marketing Order for any Services for which the Client will be billed on a monthly basis.

Custom Content: Any written, audio, video or graphic works and associated elements, including coding and command sets, and online screen displays (such as screen designs, formats, text, hyperlinks, layouts, typesets, coloration) created by iLOCAL/Marketing Puget Sound to Client specifically for the Services.

Design Phase: The time-period from the effective date as defined in section 3.1 until the date the Product is accepted by Client.

Final Users: Those of the general public who are the intended audience for, the Product.

iLOCAL/Marketing Puget Sound Materials: Any iLOCAL/Marketing Puget Sound -owned content or third-party materials licensed by iLOCAL/Marketing Puget Sound, provided by iLOCAL/Marketing Puget Sound to Client for use in the Product, including but not limited to: Custom Content, any stock images, text, video, graphic designs, audio content, and associated elements, including coding and command sets, and online screen displays (such as screen designs, formats, text, hyperlinks, layouts, typesets, coloration).

Maintenance: Modifications to the content of the Web Site, including but not limited to (a) updating or changing photos, videos, audio, (b) updating or changing text. Maintenance does not include adding pages to the Web Site or performing any work outside the scope of the Marketing Order.

Marketing Order: An order form for Services submitted by Client and accepted by iLOCAL/Marketing Puget Sound.

Client-Provided Materials: All content provided by Client to iLOCAL/Marketing Puget Sound under this Agreement for execution of the Services, including but not limited to: textual, graphic, video, and audio materials.

Product: Product is a conceptual term, used to reference the logo, Web Site, or other Product (oppose to performance such as hosting or consulting) that is the subject of the Services set forth on the Marketing Order. Materials. Client-provided Materials, Custom Content, and iLOCAL/Marketing Puget Sound Materials.

Services: Those iLOCAL/Marketing Puget Sound Services set forth in the Marketing Order, which may include and not be limited to: Web Site development, Web Site hosting, graphic design, logo design, marketing consultations, search engine optimization, development of marketing materials, advertising which may include but not be limited to video montages/radio ads/TV commercials/, or any other service performed by iLOCAL/Marketing Puget Sound for the benefit of creating a Product and/or maintaining a Product.

Web Site: An internet site developed by iLOCAL/Marketing Puget Sound pursuant to a Marketing Order, not including accessories such as blogs, shopping carts, newsletters, newsfeeds, forums, databases, directories, email accounts, etc. unless such accessories are specifically set forth in the Marketing Order.

SECTION TWO. Services

2.1 Services. iLOCAL/Marketing Puget Sound will provide the Services as set forth on the Marketing Order.

2.2 Client Cooperation. iLOCAL/Marketing Puget Sound's obligation to perform the Services is conditioned on Client complying with all terms of payment, as well as Client providing to iLOCAL/Marketing Puget Sound all Client-Provided Materials that iLOCAL/Marketing Puget Sound deems necessary to perform the Services. Client understands that iLOCAL/Marketing Puget Sound's ability to perform the Services often requires collaboration between the Parties, such as Client's review of the Product, or exchange of materials, and iLOCAL/Marketing Puget Sound is not responsible for any delay in completion due to the collaboration process. Whenever asked to do so by iLOCAL/Marketing Puget Sound, Client shall review the Product and give approval or revisions in a timely manner upon receipt of the Product from iLOCAL/Marketing Puget Sound. If Client fails to provide approval or requested revisions concerning the Product in writing within seven business days, then Client will be deemed to have approved the Product. This collaborative process of "performance and revision" may occur multiple times, and the revisions requested during the first two perform-and-revise phases will be included as part of the Base Price, so long as the revisions stay within the scope of Services on the Marketing Order. For any requested revisions after the first two perform-and-revise phases that are deemed by iLOCAL/Marketing Puget Sound to significantly change (rather than

modify) the existing Product, iLOCAL/Marketing Puget Sound reserves the right to charge an hourly fee of not less than \$125.00 in addition to the Base Price to perform such revisions, and iLOCAL/Marketing Puget Sound must receive written authorization from Client prior to performing any such revisions. Nonetheless, iLOCAL/Marketing Puget Sound is not obligated to perform any revisions that fall outside of the Services set forth on the Marketing Order. (see section 4.6).

2.3 Staffing. iLOCAL/Marketing Puget Sound shall have the sole discretion in the manner of producing and delivering Services to Client.

SECTION THREE. Effective Date, Term, and Termination

3.1 Effective Date and Term of Contract. This Agreement will become effective, without further notice to Client of acceptance, upon the date the Marketing Order is approved by iLOCAL/Marketing Puget Sound. This Agreement will continue in force during the term of any Marketing Order and thereafter pursuant to section 4.3, unless terminated as set forth in section 3.2.

3.2 Termination. iLOCAL/Marketing Puget Sound may terminate this Agreement pursuant to section 10.2 herein. Client may terminate this Agreement pursuant to section 4.3 herein. A Party may terminate this Agreement if that Party's performance is made impossible, impracticable, or is frustrated by supervening, unforeseeable events outside the party's reasonable control (e.g. death or disability). Otherwise, the Parties may not terminate this Agreement prior to the Contract Term, unless mutually agreed to by the Parties.

SECTION FOUR. Payment

4.1 Charges. Client will pay for the Services as set forth on the Marketing Order. Payment does not include applicable taxes. Client is responsible for all applicable taxes, excluding income tax associated with the sale of the Services. If Client uses any third party provided feature or service contrary to the specification indicated on the Marketing Order or in this Agreement, then iLOCAL/Marketing Puget Sound may at its sole discretion immediately suspend or terminate the feature or service, and Client agrees to pay any incremental charges associated with such unauthorized use.

4.2 Payment. Certain Services require customized and/or collaborative development to occur between the date the Marketing Order is executed and the date the Service is completed. Also, certain Services may be billed as a one-time charge, and other Services may be billed on a monthly basis. The payment schedule for the Services (e.g., monthly payments or one-time payments) is set forth on the Marketing Order. Charges may be invoiced and/or payable prior to Services being performed. The Marketing Order will act as the invoice for all payments due upon execution of the Marketing Order and for payments due upon thirty days after execution of the Marketing Order, as will be set forth on the Marketing Order. For any other one-time payment, iLOCAL/Marketing Puget Sound will provide Client with an invoice. iLOCAL/Marketing Puget Sound will provide Client with a monthly invoice for all charges that are billed on a monthly basis. Other than any payment due upon execution of the Marketing Order or 30 days thereafter as set forth in the Marketing Order, (which must be paid when due) Client agrees to pay all invoices in full within seven (7) days of the payment date set forth on the invoice. If full payment of any charge is not made within seven days of the payment date, Client may thereafter be charged up to the maximum legally permissible interest rate on any past due balance.

4.3 Services that extend after Contract Term. iLOCAL/Marketing Puget Sound will provide Services, the duration of which is pursuant to the Marketing Order. Unless Client notifies iLOCAL/Marketing Puget Sound in writing thirty (30) days prior to expiration of the Contract Term, or unless otherwise terminated by iLOCAL/Marketing Puget Sound, the terms of this Agreement will continue in full effect as to any ongoing Services such as but not limited to Web Site hosting, but on a month-to-month basis, with payment being at the rate it was in the last month of the Contract Term (subject to future price adjustments).

4.4 iLOCAL/Marketing Puget Sound Materials. Client will be invoiced and agrees to pay the expense therein, in addition to the charges set forth in section 4.1 above, for any iLOCAL/Marketing Puget Sound Materials acquired by iLOCAL/Marketing Puget Sound for use in the Product.

4.5 Call Tracking. (4.4 Applicable to Call Tracking Services only.) Client will pay a one-time set up fee for the number(s) as set forth in the Marketing Order, together with a monthly fee as provided in the Marketing Order. If usage of any tracking number exceeds 300 minutes per month, Client agrees to pay twelve (.12) cents per minute in addition to the regular monthly fee. Client will receive an invoice for this overage, and Client agrees to pay within seven (7) days of the payment date set forth therein.

4.6 Payment for Revisions. During the Design Phase, if Client has requested revisions to the Product that will carry a charge in excess of the Base Price pursuant to section 2.2, iLOCAL/Marketing Puget Sound will provide Client with an invoice for such charges, and Client agrees to make payment within seven (7) business days of receiving the invoice.

4.7 Additional work. Any additional work that falls outside the Services, including but not limited to adding pages to the Web Site, adding a newsletter, blog, newsfeed, shopping cart or other accessory to the Web Site, shall require a separate Marketing Order, and iLOCAL/Marketing Puget Sound is under no obligation to accept any such Marketing Order.

4.8 Refund. If, within fourteen (14) days after execution of the Marketing Order, the Client is not satisfied with the Services being performed or the Product, Client may, within fourteen days of execution of the Marketing Order, terminate this Agreement and request a refund by completing a Refund Request Form, which iLOCAL/Marketing Puget Sound will provide upon request. Client will be entitled to a refund of all monies Client has paid to iLOCAL/Marketing Puget Sound under the Marketing Order, less any expenses or fees already paid by iLOCAL/Marketing Puget Sound on behalf of the Product, in which case iLOCAL/Marketing Puget Sound will provide Client receipts or other proof of such payments upon request. Client's acceptance of this refund will be deemed Client's sole remedy relating to dissatisfaction with iLOCAL/Marketing Puget Sound's Services. Client will not be entitled to a refund if Client has already given iLOCAL/Marketing Puget Sound final approval of the Product. No refund will be issued by reason of the Client (or the party for whom the Client is requesting the Product) ceasing business, changing its name or other business circumstances reducing the commercial value of the Product or Service.

SECTION FIVE. Materials

5.1 Use of Materials. Client represents and warrants that Client owns or has acquired the right to provide and use the Client-provided Materials, and that the use, reproduction, distribution, and transmission of the Client-Provided Materials does not: (1) infringe or misappropriate any copyright, patent, trademark, trade secret, or any other proprietary rights of a third party; (2) violate any criminal laws; (3) constitute false advertising, unfair competition, defamation, an invasion of privacy, violate a right of publicity, or violate any other law or regulation. Client understands that while iLOCAL/Marketing Puget Sound may be developing a Product, (and depending on the Services, possibly hosting a Web Site on iLOCAL/Marketing Puget Sound's server) and therefore making use of the Materials therein, iLOCAL/Marketing Puget Sound is not responsible for providing Custom Content or iLOCAL/Marketing Puget Sound Materials unless so stated in the Marketing Order, nor is iLOCAL/Marketing Puget Sound giving Client any advice or opinion of the legality of the use of the Materials in the Product.

5.2 Indemnification. Client agrees to indemnify and hold iLOCAL/Marketing Puget Sound harmless from any claim, dispute, lawsuit, damages or loss, including attorney's fees, arising out of the Client Provided Content, the use of the Client Provided Content, and any facts or alleged facts which, if true, would constitute a breach of the above representations or warranties. Further, iLOCAL/Marketing Puget Sound reserves the right to refuse, modify, substitute or remove any Materials or other information that may (1) be deemed to violate the privacy, personal, proprietary, or contractual rights of third parties, or (2) be contrary to iLOCAL/Marketing Puget Sound's search engine optimization practices, or (3) defame, expose to legal liability, or otherwise harm iLOCAL/Marketing Puget Sound or its affiliates.

SECTION SIX. Ownership and License

6.1 Domain name and Web Site.

6.1(a). Registration of Domain Name. If iLOCAL/Marketing Puget Sound registers a domain name for the Client's Web Site as part of the Services, then iLOCAL/Marketing Puget Sound will maintain such domain name registration on Client's behalf during the term the Service is provided. If Client chooses to use an existing domain name as part of the Web Site, iLOCAL/Marketing Puget Sound will provide Client reasonable assistance in directing the domain name to the Web Site.

6.1(b). Ownership of Domain Name and Programming/Presentation of Web Site. Any domain name that iLOCAL/Marketing Puget Sound registers or any existing domain name that iLOCAL/Marketing Puget Sound directs to the Web Site as part of the Services, as well as the programming, coding and command sets, and online screen displays provided by iLOCAL/Marketing Puget Sound, and the presentation and arrangement of the Materials, all of which make-up the Web Site, are the sole and exclusive property of iLOCAL/Marketing Puget Sound, PROVIDED, that after the Design Phase, and only so long as Client is not delinquent on any payment for Services, Client may request in writing a transfer of ownership (not transfer of hosting Services) of the domain name from iLOCAL/Marketing Puget Sound to Client. Upon such a written request, iLOCAL/Marketing Puget Sound will surrender ownership of the domain name registration to Client, but Client is responsible for facilitating the transfer of ownership, including but not limited to paying all transfer fees if applicable.

6.1(c). Transferring Domain Name after expiration of Contract Term. After the expiration of the Contract Term, the Client may request in writing that the domain name registration be transferred to Client, in which case iLOCAL/Marketing Puget Sound will provide Client with reasonable assistance in transferring the domain name registration. Client is responsible for any costs associated with transferring registration and pointing the domain name to a third-party host. In such a case, iLOCAL/Marketing Puget Sound will have no other obligation or liability with respect to Client's domain name.

6.1(d). License. The Client grants iLOCAL/Marketing Puget Sound and iLOCAL/Marketing Puget Sound's agents an irrevocable, non-exclusive, worldwide, perpetual, royalty-free license to use, reproduce, modify, make improvements to, publish, store and archive, encode, transmit, and publically display the Materials that make up the Web Site.

6.1(e). Transfer of Web Site. After completion of the Contract Term, Client may at any point, with thirty (30) days written notice to iLOCAL/Marketing Puget Sound, request to purchase from iLOCAL/Marketing Puget Sound a perpetual, non-exclusive, non-transferrable, worldwide license to use the most recently saved presentation and

arrangement of the Materials developed as the Web Site ("Interface"), but not to include working files (e.g. Photoshop, flash, etc.), iLOCAL/Marketing Puget Sound Materials, or Custom Content. iLOCAL/Marketing Puget Sound will deliver the Interface to Client on a disk or similar medium, reflecting the state of the Web Site when the files were last saved. iLOCAL/Marketing Puget Sound reserves the right to refuse to grant Client's request for this license if Client has failed to satisfy the terms of this Agreement or the Marketing Order, or is otherwise in default on any iLOCAL/Marketing Puget Sound account. The one-time license fee for a Web Site with a 12 month initial hosting term will be \$100.00. The license fee for a Web Site with a 24 month initial hosting term will be \$200.00. Payment of the license fee must be received by iLOCAL/Marketing Puget Sound on or before deliver of the Interface to Client. Modification by Client may be required for the Interface to function properly on a third party's server.

6.2 Call Tracking. If iLOCAL/Marketing Puget Sound is providing call tracking as part of its Services, it is understood that Client does not own the phone number(s) provided for such Services, rather, Client is merely being provided with the right to receive calls from the numbers in furtherance of Client's business, on the terms set forth herein and in the Marketing Order. So long as Client is not delinquent on any payment for Services, iLOCAL/Marketing Puget Sound will provide Client with access to up-to-date Call Tracking Reports. iLOCAL/Marketing Puget Sound will provide Client with a password to access the Call Tracking Reports.

6.3 Ownership of Materials and other content. The Client and iLOCAL/Marketing Puget Sound agree that as between Client and iLOCAL/Marketing Puget Sound, iLOCAL/Marketing Puget Sound Materials and Custom Content are the sole and exclusive property of iLOCAL/Marketing Puget Sound. As between iLOCAL/Marketing Puget Sound and the Client, the Client-provided Materials are the sole and exclusive property of Client.

6.4 License. The Client grants to iLOCAL/Marketing Puget Sound and iLOCAL/Marketing Puget Sound's agents a revocable, non-exclusive worldwide limited license to use, reproduce, modify, make improvements to, publish, store and archive, encode, transmit, and publically display the Materials for the purpose of fulfilling the terms of the Marketing Order.

SECTION SEVEN. Hosting/Maintenance (Applicable to Hosting Services Only)

7.1 Hosting Services. Hosting Services will include simply providing the Client's Web Site with a connection to the internet, and Maintenance requested by Client in accordance with section 7.2.

7.2 Hosting Fee. The Client will pay iLOCAL/Marketing Puget Sound to host the Web Site in an amount as set forth in the Marketing Order (the hosting fee). The hosting fee will commence when the Web Site is approved by Client. So long as the Web Site is being hosted by iLOCAL/Marketing Puget Sound, Client may want Maintenance to be performed on the Web Site, and in such a case, Client agrees to provide iLOCAL/Marketing Puget Sound with the updated or additional Client- Provided Materials, in electronic format, to be incorporated into the Web Site, and Client agrees to notify iLOCAL/Marketing Puget Sound of obsolete Materials to be deleted from the Web Site. Included in the monthly hosting fee is one hour of Maintenance per month provided by iLOCAL/Marketing Puget Sound or its agents. Any Maintenance work that exceeds the inclusive one hour will be billed and invoiced to Client on an hourly-rate basis, at a rate not less than \$125.00 per hour. This hourly rate is subject to future adjustments, of which Client will be notified in writing prior to adjustment. Invoices will be paid within seven days of the payment date set forth therein.

SECTION EIGHT. Duties of Client

8.1 Providing Materials to iLOCAL/Marketing Puget Sound. Client will provide to iLOCAL/Marketing Puget Sound, in a commercially reasonable period so as not to unreasonably delay iLOCAL/Marketing Puget Sound's performance of the Services, all Client-Provided Materials and other information necessary for iLOCAL/Marketing Puget Sound to perform the Services. iLOCAL/Marketing Puget Sound is not responsible for providing any iLOCAL/Marketing Puget Sound Materials or Custom Content, unless otherwise set forth on the Marketing Order. During the perform and revise phase of the Product, Client must provide either approval or suggested revisions of the Product in a timely manner upon being requested to do so by iLOCAL/Marketing Puget Sound. If Client fails to provide approval or requested revisions concerning the Product in writing within seven business days, then Client will be deemed to have approved the Product. Client-provided Materials and any other information provided by Client shall be delivered to iLOCAL/Marketing Puget Sound in a format that is mutually agreeable between the Parties.

8.2 Type of Materials and information provided. Client agrees to acquire all licenses, permits, and permissions necessary for iLOCAL/Marketing Puget Sound to use, publically display, modify, make improvements to, publish, store and archive, encode, transmit and reproduce the Client-provided Materials.

8.3 Commercial Dissemination. Client will not resell, sublicense, or otherwise generate income from the Services, Custom Content, or the iLOCAL/Marketing Puget Sound Materials, other than making the Product available to Final Users as contemplated under this Agreement. However, this Agreement does not prohibit Client from passing the costs of its Final Users' licenses onto Client's Final Users.

8.4 Client cooperation. Client must designate on the Marketing Order a contact person or persons who have authority to act on Client's behalf in making decisions for Client concerning design, approval, modifications, and payment. Client must inform iLOCAL/Marketing Puget Sound in writing, giving ten days' notice, of any additions or subtractions from the people Client has designated as contact people. Client represents and warrants that the contact person that Client identifies pursuant to this paragraph has been vested with the necessary authority to make such

decisions for the Client.

SECTION NINE. Duties of iLOCAL/Marketing Puget Sound

9.1 Perform Services. iLOCAL/Marketing Puget Sound will deliver the Services set forth in the Marketing Order in a commercially reasonable manner and without undue delay during the Contract Term and any month-to-month term thereafter.

9.2 Receipts of payment. iLOCAL/Marketing Puget Sound will provide Client with an email receipt for each payment Client makes under this Agreement.

SECTION TEN. Default and Termination

10.1 Events of Default. It shall be an event of Client's default if (1) Client fails to make any payment as obligated under this Agreement, the Marketing Order, or any invoice; (2) Client breaches any term of this Agreement; (3) Client or Final Users have or are attempting to (i) compete with iLOCAL/Marketing Puget Sound (ii) disparage or defame iLOCAL/Marketing Puget Sound (iii) expose iLOCAL/Marketing Puget Sound to legal liability or otherwise act in a manner reasonably likely to harm iLOCAL/Marketing Puget Sound's business interests.

10.2 Termination. iLOCAL/Marketing Puget Sound may, in its sole discretion, immediately terminate this Agreement if any event of default occurs, or if Client has reason to believe that No. (3) in section 10.1 has or is occurring. If iLOCAL/Marketing Puget Sound amends the Agreement pursuant to section 18.1 in a manner that materially alters the nature of the Services provided, then Client may immediately terminate the Agreement upon providing written notice of termination to iLOCAL/Marketing Puget Sound within thirty (30) days following amendment.

10.3 Obligations upon Termination. Upon termination of this Agreement, Client shall (1) deliver to iLOCAL/Marketing Puget Sound any and all iLOCAL/Marketing Puget Sound Materials and Custom Content in Client's possession or control; (2) cease and desist from using any iLOCAL/Marketing Puget Sound Materials, Custom Content, and any Product element not owned by Client that is not specifically licensed by iLOCAL/Marketing Puget Sound to Client, and any other intellectual property of iLOCAL/Marketing Puget Sound or a third party licensor.

10.4 Remedies upon Default. Upon any event of default, iLOCAL/Marketing Puget Sound reserves the right to suspend or terminate iLOCAL/Marketing Puget Sound's Services, and iLOCAL/Marketing Puget Sound may (1) cease any work in designing, developing, or other Services relating to arriving at completion of the Product; (2) cease the call tracking, Maintenance, monitoring, and other such Services; (3) shut down the Web Site from the World Wide Web; (4) demand delivery from Client any iLOCAL/Marketing Puget Sound Materials and Custom Content in Client's possession or control; (5) declare the remaining balance of any or all Marketing Orders immediately due and payable; (6) Recover iLOCAL/Marketing Puget Sound's actual damages incurred by reason of such breach, including costs and attorney's fees; (7) Obtain injunctive relief to prevent the unauthorized disclosure or use of the confidential material or to otherwise enforce the terms of the confidentiality agreement; and (7) Pursue any other remedy available at law or in equity. If iLOCAL/Marketing Puget Sound agrees to un-suspend its Services after iLOCAL/Marketing Puget Sound allows Client to cure its default and after cure occurs, Client agrees to pay iLOCAL/Marketing Puget Sound a Thirty Dollar (\$30.00) start-up fee, in addition to the cost of curing the Default.

SECTION ELEVEN. Confidentiality

11.1 Confidential Information. During the term of this agreement, Client and iLOCAL/Marketing Puget Sound agree to keep confidential, and to use only for purposes of performing under this Agreement, any proprietary or confidential information of the other party disclosed pursuant to this agreement which is appropriately marked as "confidential." Confidential information shall also include information that, to a reasonable person familiar with the disclosing party's business and the industry in which it operates, could be considered of a proprietary or confidential nature. Disclosure of confidential information to third parties by iLOCAL/Marketing Puget Sound for purposes of performing under this Agreement does not constitute a breach of this provision. Information will not be deemed confidential hereunder if such information is (a) known by the receiving party at the time of disclosure as evidenced in writing; (b) rightfully obtained from a third party who has the right to disclose it; (c) publically known or publically available through authorized disclosure; or (d) ordered to be disclosed by a court of competent jurisdiction or authorized government agency, provided that the receiving party has given the disclosing party prompt notice so the disclosing party has an opportunity to defend, limit, or protect against such disclosure.

SECTION TWELVE. Representations/Warranties

12.1 Client's Representations and Warranties. Client is solely responsible for its acts or omissions related to this agreement and the acts or omission of its Final Users. Client represents and warrants to iLOCAL/Marketing Puget Sound that:

12.1(a). Client owns or has full lawful power and authority to provide and use the Client-provided Materials as contemplated herein, and that such provision and use of the Client Provided Materials does not and will not violate any intellectual property or other proprietary rights of any third party or create any liability to any third party;

12.1(b). The Client Provided Materials do not contain any matter that is false, offensive, deceptive or defamatory, or which may cause injury or result in damage to iLOCAL/Marketing Puget Sound or any third party;

12.1.(c). The Client Provided Materials do not contain any bugs, viruses or malicious code that may cause injury or result in damage to iLOCAL/Marketing Puget Sound or any third party;

12.1.(d). Client will comply with all applicable laws, rules, and regulations regarding any professional ethics governing Client's conduct, and regarding any advertising in its performance under this agreement, and that the subject matter of the Client-Provided Materials and the Services will be limited to the scope of business typically performed by Client. Client agrees and acknowledges that any breach of its representations or warranties herein is a material breach of this agreement.

12.2 Indemnification & Hold Harmless. Client shall defend, indemnify and hold harmless iLOCAL/Marketing Puget Sound from and against any and all third party claims, actions, causes of action, liabilities, damages, costs, and expenses, including attorney's fees, arising out of or related to any facts or alleged facts which, if true, would constitute a breach of these representations and warranties.

12.3 iLOCAL/Marketing Puget Sound's representations and warranties. iLOCAL/Marketing Puget Sound represents and warrants to Client that it is authorized to enter into this Agreement, and that it will deliver the Services in a commercially reasonable manner and without undue delay. Client acknowledges and agrees that iLOCAL/Marketing Puget Sound has made no guarantees, representations or warranties to Client regarding the results or performance of the Services, including but not limited to, the quality of the Services, the performance of the Services or Product, or the quality or volume of internet traffic or business the Services will generate.

SECTION THIRTEEN. Limitation of Liability

13.1 iLOCAL/Marketing Puget Sound, its affiliates and its agents' entire liability hereunder, if any, for any claim made against them (or any one of them) for damages relating to this Agreement or a Marketing Order, whether based in contract or tort (including negligence) shall be limited to the amount of charges paid by Client relative to the period of occurrence of the events which are the basis of the claim. In no event will iLOCAL/Marketing Puget Sound, its affiliates or its agents be liable for any lost profits or any consequential, exemplary, incidental, or indirect or special damages, arising from or in any way related to this Agreement, or a Marketing Order, or relating in whole or in part to the Client's rights hereunder or the use of or inability to use the Services, even if advised of the possibility of such damages. The limitation of liability shall apply even if any express warranties set forth herein fail of their essential purpose.

SECTION FOURTEEN. Disclaimer

14.1 Web Site, Hosting, Search Engine Optimization Services, specifically. Client acknowledges and understands that certain software used by internet users may not be capable of supporting certain features or functionality which may be included in a Web Site. iLOCAL/Marketing Puget Sound shall have no liability whatsoever for any claim relating to any internet user's inability to access the Web Site properly or completely or for any claim relating to any errors or omission in the Services or Product. Client understands that iLOCAL/Marketing Puget Sound's search engine optimization service does not include paid search engine and directory submission fees. Fees must be paid directly to these search directories for review and inclusion. Search engine companies change their ranking algorithms periodically and Client understands that iLOCAL/Marketing Puget Sound is not and cannot guarantee the ranking of Client's Web Site on any particular search engine. Client also understands that iLOCAL/Marketing Puget Sound's server may temporarily shut down or temporarily cease operations accidentally or due to unintended technological reasons, and iLOCAL/Marketing Puget Sound is not and cannot guarantee that the Services will be provided without such interruptions. iLOCAL/Marketing Puget Sound will act within a commercially reasonable time to restore the server or the Web Site (provided it is hosting the site) in a commercially reasonable time. Client agrees that any such temporary interruptions do not constitute a default of this agreement or the Marketing Order by iLOCAL/Marketing Puget Sound.

By hosting the Web Site, iLOCAL/Marketing Puget Sound is merely providing the Client with a connection to the internet, and iLOCAL/Marketing Puget Sound is not responsible for destruction, theft, manipulation, or other damages to the Web Site or any Materials that make-up the Web Site, due to hacking, virus', or similar cyber intrusion.

14.2 The Product, generally. The Product and iLOCAL/Marketing Puget Sound's partners' concomitant Services related to the publication and delivery thereof are provided "AS IS", without warranty of any kind, express or implied, including, but not limited to, warranties of performance, merchantability, fitness for a particular purpose, accuracy, omissions, completeness, currentness and delays. Neither iLOCAL/Marketing Puget Sound nor its affiliates or agents make any warranty as to the results that may be obtained from the Product, that access to the Product will be uninterrupted or that the Product will be error free.

SECTION FIFTEEN. Limitations of Claims

15.1 Other than claims by iLOCAL/Marketing Puget Sound relating to charges, fees, or other money owed by Client to iLOCAL/Marketing Puget Sound, no claim, regardless of form, which in any way arises out of this Agreement, may be made, nor any action based upon such claim brought, by either party more than one (1) year

after the agreement terminates.

SECTION SIXTEEN. Assignment

16.1 **Assignment Of Obligations.** Client's rights and obligations hereunder may not be assigned or transferred in whole or in part by operation of law or otherwise, without iLOCAL/Marketing Puget Sound's prior written consent. iLOCAL/Marketing Puget Sound may, upon prior written notice to Client, assign or transfer this Agreement or any rights and obligation hereunder to an affiliate, third party successor to all or substantially all of the business, stock or assets of iLOCAL/Marketing Puget Sound, or to any other third party without the Client's consent.

SECTION SEVENTEEN. Indemnity

17.1 Client is solely responsible for any liability arising out of or related to the Client Provided Materials, as well as Client's use of the Product for any purpose. Client agrees to indemnify and hold harmless iLOCAL/Marketing Puget Sound from and against any and all liabilities, losses, damages, costs, and expenses, including reasonable attorney fees and experts' fees, associated with any claim or action brought against iLOCAL/Marketing Puget Sound related to or arising out of the Client Provided Materials and Client's use of the Product for any purpose. This indemnification agreement will survive termination of this agreement.

SECTION EIGHTEEN. Modifications

18.1 This Agreement may be amended at any time and from time to time, but any amendment must be in writing and signed by each Party. From time to time, iLOCAL/Marketing Puget Sound may need to amend, add or delete Agreement terms to address sudden technological, operational, or regulatory changes affecting delivery of the Services. Therefore, notwithstanding anything to the contrary herein, Client agrees that iLOCAL/Marketing Puget Sound may amend the Agreement, subject to the Client's termination right set forth in Section 10.2.

SECTION NINETEEN. Additional License

19.1 Client agrees that iLOCAL/Marketing Puget Sound may display the Product and Services (including but not limited to logos, Web Sites, call tracking reports) in a design portfolio, in advertising and promotional materials, and for submission to a third party for special recognition, honors, or awards.

SECTION TWENTY. Joint Drafting and Neutral Construction

20.1 This Agreement is a negotiated document and shall be deemed to have been drafted jointly by the Parties, and no rule of construction or interpretation shall apply against any particular Party based on a contention that the Agreement was drafted by one of the Parties. This Agreement shall be construed and interpreted in a neutral manner.

SECTION TWENTY ONE. Validity of Agreement

21.1 If any term, provision, covenant, or condition of this Agreement or any portion thereof is held by a court of competent jurisdiction to be invalid or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected or invalidated.

SECTION TWENTY TWO. Entire Agreement

22.1 This Agreement, together with any and all current and future Marketing Orders, embodies the entire agreement of the Parties relating to the rights granted and obligations assumed in this Agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect unless contained in a subsequent written modification signed by the Party to be charged. By entering into this Agreement, Client acknowledges that it is not relying on any statement, written or verbal, that is inconsistent with, or not set forth in, the Agreement.

SECTION TWENTY THREE. Venue and Applicable Law

23.1 This Agreement shall be governed, construed and interpreted in accordance with the laws of the State of Washington (without respect to principles of conflicts of law), and the Parties submit to jurisdiction of and venue in the State of Washington in any legal proceeding necessary to interpret or enforce this Agreement or any part of this Agreement.

SECTION TWENTY FOUR. Force Majeure.

24.1 iLOCAL/Marketing Puget Sound shall not be responsible for any delays, errors, failures to perform, interruptions, or disruptions in the Services caused by or resulting from any act, omission or condition beyond iLOCAL/Marketing Puget Sound's reasonable control, whether or not foreseeable or identified, including without limitation acts of God, strikes, lockouts, riots, acts of war, governmental regulations, fire, power failure, earthquakes, severe weather, floods or other natural disaster.

SECTION TWENTY FIVE. Relationship of Parties.

25.1 iLOCAL/Marketing Puget Sound and Client's relationship is limited to that of vendor/customer, and neither party is an agent, representative or partner of the other party. Neither party shall have authority to enter into any agreement on behalf of the other party, or undertake any obligation or liability for (or otherwise bind) the other party. This Agreement does not, and is not intended to, confer any rights or remedies upon any person other than Client and iLOCAL/Marketing Puget Sound. Client acknowledges that iLOCAL/Marketing Puget Sound provides Services to businesses and other customers, and nothing herein or in any Marketing Order grants Client an exclusive right to receive services from iLOCAL/Marketing Puget Sound. Client agrees that iLOCAL/Marketing Puget Sound may provide services to Client's potential or actual competitors and such provision of services does not give rise to a conflict of interest.

SECTION TWENTY SIX. Waiver & Severability.

26.1 Should any provision of this Agreement or any Marketing Order be held void, invalid, unenforceable, or illegal by a court of law, the remaining provisions will remain valid and enforceable. Failure to enforce any provision of this Agreement or a Marketing Order will not constitute or be construed as a waiver of such provision or of the right to enforce such provision. Any provisions of this Agreement or a Marketing Order which impose an obligation or right after the termination or expiration date shall survive the termination or expiration of this Agreement or the Marketing Order and shall be binding on the parties.

SECTION TWENTY SEVEN. Attorney Fees and Costs

27.1 In the event that a dispute arises between the parties and either party secures the assistance of legal counsel, the non-prevailing party shall pay the prevailing party his or her actual attorney's fees and costs incurred, with or without suit or other legal proceeding. For the purposes of this clause, the term "prevailing party" is defined as the party in whose favor a net monetary judgment or settlement is awarded or secured after all offsets, claims, counterclaims and allowances have been resolved, exclusive of the attorney fee award. There shall be only one prevailing party.