

Web Site Design Contract

This is a legal and binding contract between SH Systems, Inc. and the Client listed below.

SH Systems, Inc.

*131 E Columbia Ave #216
Battle Creek, MI 49015
(269)963-1710
(269)963-7330
steve@shsbc.com*

Client

Company _____

Contact Name _____

Address _____

City _____ State ____ ZIP ____ Country _____

Phone _____ FAX _____

E-mail address _____

Present WWW URL (if any):

Username _____ Password _____

These are the terms of our agreement together:

1. Authorization. The above-named Client is engaging SH Systems, Inc. known as Developer, a sole proprietor, located at 131 E Columbia Ave., as an independent

contractor for the specific purpose of developing and/or improving a web site. The Client hereby authorizes Developer to access the above FTP account, and authorizes the web hosting service to provide Developer with "write permission" for the Client's web page directory, cgi-bin directory, and any other directories or programs which need to be accessed for this project. The Client also authorizes Developer to publicize their completed web site to Web search engines, as well as other Web directories and indexes.

2. Standard Web Site Package:

Domain Registration: *The Developer will secure a domain name for the Client at the Client's request if one has not already been secured. All charges incurred in doing so will be billed to the Client as an addition to the base price contemplated by this agreement. These are Internic fees, and are not a source of income for the Developer.*

If the Client already has a domain name, the Developer may be requested to assist in redirecting the address to the new host. Should the Client desire a specific domain name, which is already owned by another party, negotiations for said domain name must be undertaken by the Client.

Text. *Copy for web site must be supplied by the Client in a .doc format via disk or email message/email attachment. Otherwise, if not supplied on disk or via email, there will be an additional charge for typesetting.*

Links. *This agreement contemplates up to an average of 12 external or relative links per page and an e-mail response link on each web page to any e-mail address specified by Client. It is the responsibility of the client to verify the link(s) they request to be added are valid and provide the expected content.*

This agreement also contemplates making any link the Client desires "pop up" in a new window if requested at the specific dimensions and configuration specified by the Author.

Photos. *Photos and other misc. graphic images must be supplied by Client, unless otherwise agreed-upon. Developer has the capability to provide photographic services as needed, and reserves the right to reject client-supplied artwork if said artwork would not transfer to the web pages as attractively as expected by the client.*

Scanning. *This agreement contemplates scanning up to 10 images for the Client. It is contemplated that this will accommodate the needs of most Clients.. Please note: If you anticipate needing extensive scanning service, or need large format images scanned, please contact Developer for pricing and / or discounts on volume scanning.*

Installation. Finished site will be uploaded to Client's hosting company.

Site publicity. *The site will be subject to a one-time blast submission to the current major Web search engines, such as Yahoo, AltaVista, InfoSeek, WebCrawler, Lycos, HotBot, etc. Submission of site to the various search engines will be governed by the rules imposed by those search engines, and acceptance of the site submission is based on the search engine acceptance policy. Submission of the site to the search engine does not guarantee placement/ranking, but Developer can assist in improving search engine placement.*

E-mail response link *on each web page to any e-mail address the Client designates.*

Cross Browser Compatibility. *Our agreement contemplates the creation of a web site viewable by both Netscape and Microsoft Internet Explorer. Compatibility is defined herein as all critical elements of each page being viewable in both browsers. Client is aware that some advanced techniques on the Internet, however, may require a more recent browser version and brand or plug-in. Client is also aware that as new browser versions of Internet Explorer and Netscape are developed, the new browser versions may not be compatible. In the absence of a Maintenance Agreement time spent to redesign a site for compatibility due to the introduction of a new browser version will be separately negotiated and in addition to the base price of our agreement.*

CGI / Perl. *This contract contemplates one basic form embedded on the Clients web site with the data captured in each form delivered to the Client at the Client's specified e-mail address. If a specific script beyond this capability is requested by the Client and it must be purchased or created by the "Developer" at the Client's request, the charge for the script, if any, will be billed back to the Client.*

3. Standard Web site Packages only. The content of the web pages will be supplied by the Client and executed as specified by the Client in the "Web Site Planning Worksheet" dated _____. This web site includes up to _____ web pages. In case the Client desires additional standard web pages beyond the original number of pages specified above, the Client agrees to pay Developer an additional \$_____ for each additional web page. Graphics or photos beyond the allowed average of 1 to 3 per web page shall be billed at an additional \$_____ each. Where custom graphic work (beyond the scope of the "Custom Graphics Package" detailed above) is requested, it will be billed at the hourly rate specified below. The store size and additional services, and prices of each are detailed on the attached estimate.

4. Online stores only. The text and graphic content of the web pages will be supplied by the Client and executed as specified by the Client in the "Web Page Planning Worksheet" and / or the Store Planning Worksheet. It is understood that total prices calculated are likely to vary from the final amount due to different quantities of products, categories, photos, regular pages, etc. in the final store. An

Estimate is listed in Appendix A and governs the prices for this contract. Notwithstanding any prices listed in literature or on web pages, the Client and Developer agree that the services described above in this section shall be completed for the amount indicated in Appendix A and / or Appendix B and upon this amount the first payment shall be determined. The final payment shall reflect and include all elements actually completed at the prices attached.

We include e-mail/phone consultation of up to 2 hours total general Internet orientation education, marketing strategy, Web design consultation, and helping Clients learn to use the store software. Telephone long distance charges are in addition to package rates quoted. (Additional education and consultation is at our hourly rate.)

Product web pages, products, or photos added after the store is ready for advertising to the Web search engines will be calculated for actual time spent at the hourly rate specified below.

5. Available Services :

This agreement includes all the aforementioned services plus:

Page Redirection / Plug-in Technology. *JavaScript programming page redirection based on the presence or absence of a viewer's browser, plug-in, screen resolution and platform. Note however, that if additional pages are necessary to accommodate specific browsers, plug-in technology, screen resolutions, or platforms additional charges may apply.*

Graphic Creation / Banner Advertisements. *This custom package contemplates that the "Developer" will create, capture or receive from the Client all the graphic elements necessary to complete the Client's web site. This includes creation / redesign of Corporate Identity (logo), ancillary images, animated graphics, photography and banner advertisements.*

Java Applets. *This custom package contemplates the use of Java Applets specified in Appendix A. Clients are encouraged to not use Java Applets as many viewers on America Online will be served an error when trying to view the page. Java Applets may also 'crash' older computers on download and download times for some viewers can be excessive.*

Macromedia Flash *Macromedia Flash is always an option and the specific understanding of our arrangement will be listed in Appendix A. Although Flash work is charged by the hour, the Developer warrants to protect the client by specifying a maximum charge in advance which will be listed in Appendix A. The Developer warrants to work earnestly to come in under the maximum charge.*

DHTML *This custom package contemplates using DHTML technology. The rate to program each DHTML page will be specified in Appendix A. The Author understands that DHTML technology may not work in older browsers and some DHTML technology is not cross-browser specific.*

Real Audio/Video. *This custom package contemplates using Real Audio or Real Video on the Client's site. If chosen, however, the charges for such will be listed in Appendix A.*

QuickTime / QuickTime VR *This custom package contemplates using QuickTime or QuickTime VR technology on the Client's web site.*

E-commerce. *This custom package contemplates the possibility of an e-commerce enabled site. If a shopping cart is required for the Client's site, the charges for the shopping cart will be listed in Appendix A.*

Secure Certificate *If the Client selects an e-commerce enabled site, the Client is encouraged to obtain a secure certificate for online transactions. The Client understands that if they do not obtain their own secure certificate, design capabilities on the shopping cart itself may be limited.*

Merchant Account *The Client will need a Merchant Account to enable the ability to accept credit cards online. Any charges necessary to secure the Merchant Account are chargeable to the Client.*

Real Time Credit Card Processing. *If the Client has a high volume / high sales web site, real-time credit card processing will be desired. In this instance, the Developer will assist the Client in obtaining this service. Any charges related to this service are the responsibility of the Client as an addition to this agreement.*

ASP / Cold Fusion. *Sites requiring database design may require Microsoft ASP or Allaire Cold Fusion technology. Any charges applicable to ASP or Cold Fusion are in addition to this agreement.*

Databases. *Costs for creation of a database will be specifically listed in Appendix A.*

Training. *The Developer will provide e-mail and telephone assistance to the Client's designated representatives regarding management of the Client's web site at a pre-negotiated rate.*

6. Additional Expenses. Client agrees to reimburse the Developer for any critical Client requested expenses necessary for the completion of the project. Examples would be:

- *Purchase of specific fonts at the Client's request,*
- *Purchase of specific photography at the Client's request.*

- *Purchase of specific software at the Client's request.*

7. Client Amends / Changes. Developer prides itself in providing excellent customer service. That is the spirit of our agreement and the spirit of the Developer's business. To that end, we encourage input from the Client during the design process.

The Developer understands, however, that Clients may request significant design changes to pages that have already built to the Client's specification. To that end, please note that our agreement does not include a provision for significant page modification or creation of additional pages in excess of our agreed page maximum [Appendix A]. If significant page modification is requested after a page has been built to the Author's specification, we must count it as an additional page.

Some examples of significant page modification at the request of the Client include:

- *Developing a new table or layer structure to accommodate a substantial redesign at the Client's request.*
- *Recreating or significantly modifying the company logo graphic at the Client's request.*
- *Replacing more than 75% of the text to any given page at the Client's request.*
- *Creating a new navigation structure or changing the link graphics at the Author's request.*
- *Significantly reconfiguring the Client's shopping cart with new product, shipping or discount calculation if an e-commerce enabled site has been selected by the Client.*

Clients who anticipate frequently changing the look of their site during the design process and Clients who desire to be intricately involved design of each page are encouraged to negotiate an agreement which exceeds the page maximum. If significant page modification is requested by the Client after the page maximum has been reached a Change Request with estimated costs will be submitted for Client approval prior to changes being done.

Moderate changes, however, will always be covered during our development of the site and also covered by our one month of free maintenance.

8. Third Party or Client Page Modification. Some Clients will desire to independently edit or update their web pages after completion of the site.

Note however, Developer is not responsible for any damage created by the Client or agent of the Client. Any repairs required will be assessed at an hourly rate of \$60. [1 hour minimum charge].

9. Web Hosting. It is recommended that the Client choose to allow the Developer to decide where best to host the website, based on content, software requirements and price/reliability. Should the Client choose to select a web hosting service not provided by

Developer, that web hosting solution must allow full access to the web site and a cgi-bin directory via FTP and/or Microsoft Frontpage Server Extensions. The Client further understands that if the web hosting service's operating system is not a Microsoft (IIS) system, standard scripting software may not work, and providing a substitute may incur additional charges.

10. Search Engine Registration. The Developer will optimize the Clients web site with appropriate titles, keywords, descriptions and text and thereafter submit the Client's web site to each of the major search engines and directories. The Developer also offers advanced search engine optimization and site promotion services. If advanced search engine optimization and site promotion services are desired the agreement for said services will be listed in Appendix B.

The Developer encourages all commercial Clients to obtain advanced Search Engine Optimization and Site Promotion services.

11. Work Schedule and Completion Date. Developer to submit a First Mockup Draft of web site no later than twenty (20) days after Developer receives signed agreement, along with down payment and initial direction from the Client. Client to provide Developer with all the data needed to complete web site, including text, company logo, and photos. Upon completion of this stage, the Client will be asked to confirm acceptance for the basic site design via e-mail or by signing a printed copy of the design and faxing to Developer. Once this acceptance is received from the Client, the work necessary to complete the project will continue.

Upon completion of the web site, an e-mail or letter and invoice will be sent to the Client advising the Client that the work has been completed. Client will supply written approval by printing, initialing and faxing back each page in web site. After contract has been paid in full, site will then be uploaded to Client's hosting company.

The Developer will burn one copy of the Client's web site onto a CD, at the Client's request, upon completion of the site and upon receipt of final balance. Additional copies of the CD are available for \$25.00 each.

12. Maintenance Grace Period. This agreement includes minor web page maintenance to regular web pages (not store product pages) over a one-month period, including updating links and making minor changes to a sentence or paragraph. It does not including removing nearly all the text from a page and replacing it with new text. If the Client or an agent other than Developer attempts updating the Client's pages, time to repair web pages will be assessed at the hourly rate, and is not included as part of the updating time. The one-month maintenance period commences upon the date the Client signs this contract. The one-month maintenance period is only available to those Clients having had Developer design the site and who subsequently choose the BASIC hosting maintenance package.

Changes requested by the Client beyond those limits will be billed at the hourly rate [Appendix A]. This rate shall also apply toward additional work authorized beyond the maximums specified above for such services as: general Internet orientation education, marketing consulting, web page design, editing, modifying product pages and databases in an online store, and art, photo, graphics services, and helping Clients learn how to use their own web page editor. CGI programming charges (if any) are not included in this rate.

13. Extended Maintenance Contracts. Terms for Maintenance Contracts will be listed in Appendix B, using one of three methods. Once a maintenance plan has been chosen, it must be adhered to for a period not less than 6 months, and switching between plans may not occur more frequently than 2 times per year.

The “Basic” Maintenance Contract, payable each month, allowing for no changes to the website. This plan is designed to accommodate users who do not plan to make frequent changes to their website, but wish to have it hosted on the Developers’ server. Changes to the website are billed at an hourly rate of \$60

The “Managed” Maintenance Contract is a monthly chargeable agreement, higher than the “Basic”, but offering cost savings on sites with more than infrequent changes. This maintenance contract is designed to allow for up to 2 hours labor per month to be used at the discretion of the client.. Details are listed in Appendix B.

The “Elite” Maintenance Contract is a monthly chargeable agreement designed to accommodate clients who wish frequent updates to their website. This maintenance plan provides all of the benefits of the Managed plan, but accommodates up to 10 hours of labor per month.

14. Copyrights and Trademarks

The Client represents to Developer and unconditionally guarantees that any elements of text, graphics, photos, designs, trademarks, or other artwork furnished to Developer for inclusion in web pages are owned by the Client, or that the Client has permission from the rightful owner to use each of these elements, and will hold harmless, protect, and defend Developer and its subcontractors from any claim or suit arising from the use of such elements furnished by the Client.

15. Assignment of Project. The Developer reserves the right to assign certain subcontractors to this project to insure the right fit for the job as well as on-time completion. The Developer warrants all work completed by subcontractors for this project. When subcontracting is required, the Developer will only use industry recognized professionals.

16. Age. Authorized representative of the Client certifies that he or she is at least 18 years of age and legally capable of entering a contract in the State of Michigan on behalf of the Client.

17. Warranties and Liability. Client agrees that any material submitted for publication will not contain anything leading to an abusive or unethical use of the Web Hosting Service, the Host Server or the Developer. Abusive and unethical materials and uses include, but are not limited to, pornography, obscenity, nudity, violations of privacy, computer viruses, harassment, any illegal activity, spamming, advocacy of an illegal activity, and any infringement of privacy..

Client hereby agrees to indemnify and hold harmless the Developer from any claim resulting from the Client's publication of material or use of those materials.

It is also understood that the Developer will not publish information over the Internet which may be used by another party to harm another. The Developer will also not develop a pornography or warez web site for the Client. The Developer reserves the right to determine what is and is not pornography.

Developer does not warrant the functions of the site will meet Client's expectations of site traffic or resulting business or that the operation of the web pages will be uninterrupted and / or error-free. Developer is not be held responsible for occasional downtime of email or web site due to line interruptions and/or other instances beyond Developers control.

Client agrees to proof-read the contents of the site before being published to its permanent location and to hold Developer harmless for errors of omission or incorrectness of information.

18. Indemnification. Client agrees that it shall defend, indemnify, save and hold the Developer harmless from any and all demands, liabilities, losses, costs and claims, including reasonable attorney's fees associated with the Developer's development of the Client's web site. This includes Liabilities asserted against the Developer, it's subcontractors, it's agents, its clients, servants, officers and employees, that may arise or result from any service provided or performed or agreed to be performed or any product sold by the Client, its agents, employee or assigns.

Client also agrees to defend, indemnify and hold harmless the Developer against Liabilities arising out of any injury to person or property caused by any products or services sold or otherwise distributed over the Client's web site. This includes infringing on the proprietary rights of a third party, copyright infringement, and delivering any defective product or misinformation which is detrimental to another person, organization, or business.

19. Rights Upon Termination of Agreement. Developer shall transfer, assign and make available to Client all property and materials in Developer's possession or subject to Developer's control that are the property of Client, subject to payment in full of amounts due pursuant to this Agreement

Developer also agrees to provide reasonable cooperation in arranging for the transfer or approval of third party's interest in all contracts, agreements and other arrangements with advertising media, suppliers, talent and others not then utilized, and all rights and claims thereto and therein, following appropriate release from the obligations therein.

In the event the Client terminates this contract by registered letter within 30 days, 50% of down payment will be refunded. Work completed shall be billed at the hourly rate stated in Appendix A, and deducted from 50% of the down payment, the balance of which shall be returned to the Client. If, at the time of the request for refund, work has been completed beyond the amount covered by the initial payment, the Client shall be liable to pay for all work completed at the hourly rate. No portion of this initial payment will be refunded unless written application is made within 30 days of signing this contract.

Refund request must be submitted by registered letter to SH Systems, Inc, 131 E Columbia Ave. #216, Battle Creek, MI 49015.

20. Default. In the event of any default of any material obligation by or owed by a party pursuant to this Agreement, then the other party may provide written notice of such default and if such default is not cured within ten (10) days of the written notice, then the non-defaulting party may terminate this Agreement.

21. Notices. Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.

22. Laws Affecting Electronic Commerce. From time to time governments enact laws and levy taxes and tariffs affecting Internet electronic commerce. The Client agrees that the Client is solely responsible for complying with such laws, taxes, and tariffs, and will hold harmless, protect, and defend Developer and its subcontractors from any claim, suit, penalty, tax, or tariff arising from the Client's exercise of Internet electronic commerce.

23. Ownership to Web Pages and Graphics. Copyright to the finished assembled work of web pages and graphics produced by the Developer shall be vested with the Client upon final payment for the project. This ownership is to include, design, photos, graphics, source code, work-up files, text, and any program(s) specifically designed or purchased on behalf of the Client for completion of this project.

Rights to photos, graphics, computer programs are specifically not transferred to the Client, and remain the property of their respective owners. Developer and its subcontractors retain the right to display all designs as examples of their work in their respective portfolios.

24. Litigation. Any disputes arising from this contract will be litigated or arbitrated in Calhoun County, Michigan. This agreement shall be governed and construed in accordance with the laws of the State of Michigan, USA.

Undersigned hereby agree to the terms, conditions and stipulations of this agreement on behalf of his or her organization or business. This Agreement constitutes the entire understanding of both parties. Any changes or modification thereto must be in writing and signed by both parties.

25. Payment of Fees. A minimum deposit of thirty percent (30%) is required to commence work.

Fees to Developer are due and payable on the following schedule: 30% upon signing of contract, 30% after first stage of site is completed and approved and the balance upon page completion, but prior to delivery / uploading. If the total amount of this contract is less than \$600, the total amount shall be paid upon signing of contract and any additional costs incurred during development will be invoiced at the completion of the web site.

Advertising the pages to Web Search Engines and updating occur only after the final payment is made. All payments will be made in US funds.

Developer reserves the right to remove web pages from viewing on the Internet until final payment is made. If a payment delay is anticipated, please contact the Developer immediately for an alternative arrangement. In case collection proves necessary, the Client agrees to pay all fees incurred by that process. This agreement becomes effective only when signed by Developer. Regardless of the place of signing of this agreement, the Client agrees that for purposes of venue, this contract was entered into in Calhoun County, Michigan, and any dispute will be litigated or arbitrated in Calhoun County, Michigan

26. Sole Agreement. The agreement contained in this "Web Site Design Contract" constitutes the sole agreement between Developer and the Client regarding this web site. Any additional work not specified in this contract, Appendix A or Appendix B must be authorized by a written change order. All prices specified will be honored for 30 days after both parties sign this contract. Continued services after that time will require a new agreement.

This agreement constitutes the entire understanding of the Developer and Client. This agreement terminates and supersedes all prior understanding or agreements on the subject matter hereof. Any changes or modification thereto must be in writing and signed by both parties

27. Initial Payment and Refund Policy.

The total amount of this contract is \$_____

This agreement begins with an initial down payment of \$_____.

The undersigned agrees to the terms of this agreement on behalf of his or her organization or business.

On behalf of the Client (authorized signature):

_____ Date _____

On behalf of Developer (authorized signature)

_____ Date _____

Appendix B Project Specifics

Company: _____ Contact Person _____ Date: _____

Phone: _____ FAX: _____ e-mail _____

Address: _____

URL http://_____ Active? Y N

➤ **Current Site Information?** (Current site, administrator, host, address)

Host:

➤ **Who is in charge of the project?**

➤ **What do you see as your needs and goals?** (What do you want them to leave your site with? Information about your business, your products, your staff, a submitted order form, a sample download, an order, printed text or printed order form, photos, news, a contact via e-mail and don't forget to have them leave with a reason to bookmark your site and return.)

➤ **Who are your main (current) clients?** (Your target audience, who are they? Who do you want to reach? Professionals, educators, buyers, men, women, teens, seniors, children, etc., all categories?)

➤ **What are your current marketing efforts?** (Direct mailings, radio, newspaper, etc?) (A web site could be 10% of the marketing budget (which should be 10% of their sales.)

➤ **What is your corporate image and market position?** (What you do and who your clients are?)

- **What is driving the project?** (And what purpose is their visit, business, shopping, education, entertainment, getting to know you and about your business, ordering a product, viewing a catalog, accessing a list of products, other?)

- **What design elements do you intend using in the web site?**

- **What atmosphere would you like your site to represent?** (Strictly Professional, relaxing, exciting, mature, child-like, serious, silliness, fun, educational, conservative, surprise, a mixture, or other)

- **What is the time frame of the project?** (Deadline)

- **Have you a budget in mind for this project?** (As little as \$100, or as much as \$1,000,000)

- **Who will be attending future meetings?**

- **Whom will we (I) be working with?**

- **Who will make the final decisions?**

- **Is there someone else bidding on the project? Who is that?**

- **How did you hear about us?**