

General Terms and Conditions of Service

Recitals

A. Web Lite Designs is in the business of providing a variety of services and products involving website design, database driven website construction, customized and pre-formatted graphical interface solutions, website hosting, and other services and products generally described at our website at www.WebLiteDesigns.com. Under the terms of a separate written or verbal customer project estimate/purchase or service description or by requesting an online quote/order you have entered into and made one or more service order descriptions (hereinafter, a "Service Description"), which constitutes an agreement between you and us for said Service Description. The Service Description will also be evidenced by your payment by check, credit card or otherwise of all or a portion of the fees for said Service Description. Said Service Description(s) is expressly conditioned upon the execution and delivery of this Agreement by you and Web Lite Designs. In accordance with said Service Description, this Agreement will govern the general terms and conditions of service between you and us. In order for you to avail itself of Web Lite Designs's services or products we require this Agreement to be entered into between Web Lite Designs and Client.

Agreement

NOW, THEREFORE, in consideration of these premises, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to the following:

1. Effective Date and Term. The effective starting date of our Website hosting responsibilities ("Website Hosting Responsibilities") to you, and the date you will be entitled to start using our software licenses in connection with your Website, is the date of effective availability of your Website on the Internet. In the case where you purchase one of our database driven website services under the Service Description, the effective starting date will be the date your website hosting package is loaded into our system.

2. Payment Requirements. Except as otherwise stated herein, the fees you are required to pay for Website construction, additional transfer or storage space, software licenses (including without limitation for graphical interface products) and Website hosting fees are, or will be stated in the Service Description entered into with respect to such product or service. Said fees and other charges will be payable as follows:

a. Website Construction Fee. You will pay the Website Construction Fee set forth in your Service Description as follows: (i) with respect to our "Basic WebSite Package", upon making your Service Description for the same, you will pay one hundred percent (100%) of the fee for said product as set forth in your Service Description; (ii) with respect to all other types of Website construction orders, (A) a Non-Refundable Retainer shall be paid when you and Web Lite Designs agree to your Service Description upon signing; (B) on the start date which is outlined by the receipt of content a fifty percent (50%) of said fee

shall be paid and (C) the balance of said fee is due and payable immediately upon our notice to you of our completion of said Website. The Website Construction Fee is fully earned by Web Lite Designs when you and Web Lite Designs agree to the Service Description with respect thereto. In the event you do not pay any amount due within fourteen (14) days of the date it is due, we may disconnect said website and suspend or discontinue each other service we may be providing to you under this Agreement or any Service Description, and we may exercise any other remedy at law or as provided under this Agreement or said Service Description including a 2% per month penalty for each and every month or thereof.

b. Additional Transfer and Storage Space Fees. If you use more data transfer or disk space than is included in your Hosting Plan, as described in your Service Description, you will be charged for the additional gigabytes of transfer or extra megabytes of storage, in accordance with the initial prices for said services as set forth in the Service Description, and thereafter equal to the standard charges for said services as set forth in Web Lite Designs's standard price listing (hereinafter, the "Standard Price Listing") as quoted to its customers, which may change from time to time. If you keep using more transfer and storage than what your package includes, you may want to consider upgrading to the next Hosting Plan or ask us to customize a plan for you.

c. Website Hosting Fees; Hosting and License Term; Renewal Terms. You agree to pay a setup fee(s), the Website hosting fee(s) and software license fees (collectively referred to as "Website Hosting Fees") for a minimum term (each, a "Hosting and License Term") of not less than 12 months each. Pursuant to the provisions of your Service Description, you may choose a Hosting and License Term that is greater than 12 months, subject to our approval. Your Service Description will also specify whether your Website Hosting Fees will be payable quarterly, every 6 months or on an annual basis. Fees payable on a monthly basis will include a 6% increase for said option, and said option requires post dated cheques for a 12month period. Unless you or Web Lite Designs notify the other in writing (at the addresses set forth in this Agreement for said notices) not less than thirty (30) days prior to the end of the then current Hosting and License Term (a "Notice of Non-Renewal"), the Hosting and License Term will be automatically renewed without further notice for an additional twelve (12) month period, subject to the same terms and conditions as set forth in this Agreement. Website Hosting Fees are non-refundable if you choose to close your account, this notice must be provided to Web Lite Designs in writing.

d. Additional Services. For any services that you may request from Web Lite Designs from time to time over and above set forth in your Purchase Description(s), you will pay Web Lite Designs on an hourly basis for the time expended to complete said services, according to the rates set forth in Web Lite Designs's Standard Price Listing. Except as herein provided, all said services shall be paid immediately upon completion and invoice for the same. For basic update service, you have the option of entering into a Service Description for "Additional Service Packages" at a discounted rate, for which payment is due upon making such a Service Description. Any Web service for which we charge an

hourly rate and the aggregate amount of which is less than \$350, is due in full at the time you and we agree to a Service Description for the same.

e. Method of Payment. Web Lite Designs accepts payment by check, cash or money order.

f. Special Offer Discounts are only for the term outlined in your Purchase Description(s), and upon renewal date will return to the regular rates.

3. Early Cancellation. Subject to Web Lite Designs's right to terminate Client's rights under this Agreement in the event of a breach by Client, and in addition to the cancellation right that you have under Section 8 herein below, so long as you are not otherwise in default or breach of this Agreement or any Service Description, you may cancel this Agreement.

Solely with respect to website construction and design, you will be charged a cancellation fee of fifty percent (50%) or Web Lite Designs will retain the fifty percent (50%) paid when you and Web Lite Designs agreed to your Service Description.

Solely with respect to the Website Hosting Responsibilities, at any time upon thirty (30) days written notice (a "Cancellation Notice"), payment to Web Lite Designs of the applicable Cancellation Fee as hereinafter defined, and payment to Web Lite Designs of any and all other amounts earned by Web Lite Designs under this Agreement or any Service Description. Upon a Cancellation Notice, you shall be charged a cancellation fee (the "Cancellation Fee") equal to fifty percent (50%) of the Remaining Value of the Website Hosting Fee for the then current twelve month Hosting and License Term (if you or Web Lite Designs has not give Notice of Non-Renewal within the time period required in Section 2c above, the cancellation fee will be calculated as to the automatic renewal term). The "Remaining Value of the Website Hosting Fee" shall be calculated by dividing the Website Hosting Fee effective or to be effective for the applicable Hosting and License Term, by twelve (12), and then multiplying said resulting quotient by the number of months or partial months remaining in said applicable Hosting and License Term. The product of said calculation in dollar terms is the "Remaining Value of the Website Hosting Fee". Upon Web Lite Designs's receipt of the Cancellation Fee, the Website Hosting Responsibilities will automatically expire, you will have no further obligation to pay Website Hosting Fees, your license(s) for all software used in connection therewith that is owned by Web Lite Designs or sublicensed to you by Web Lite Designs shall automatically expire, and to the extent you have prepaid any amount of Website Hosting Fee, said prepaid amount shall be remitted to you. Notwithstanding anything to the contrary set forth in this paragraph or otherwise in this Agreement, there will be no refund for any cancellation with respect to a Website in connection with which any of our package deals was part of your Service Description.

4. Interactive options & template styles. Except for template styles and interactive solutions that are customized ("Custom Designs and Applications") particularly for Client and Client has purchased the same according to a Service Description wherein a "buyout fee" is included and said fee has been paid by Client, Web Lite Designs is and shall be the sole owner and proprietor of all applications and template styles developed

for and installed on its servers (including without limitation, Interactive options and online marketing tools), and Client shall have no proprietary right or ownership interest therein. Both one time fees and monthly fees paid hereunder or under any Service Description for such products are license subscription fees payable for using said applications and templates within the Web Lite Designs's www.WebLiteDesigns.com Site. In the event Client cancels the Website Hosting Responsibilities under the early cancellation provision provided in this Agreement, or in the event this Agreement is not renewed, Client has the right to any Customized Designs and Applications for which Client has paid a buy-out fee under the provisions of this Agreement.

5. Notices. . Any notice provided under this Agreement shall be effective (a) on the second (2nd) day after delivery in the Canadian mails, postage prepaid, certified, return receipt requested; or (b) upon delivery if made by personal delivery or messenger service or by express over-night mail; when addressed to the addressee as follows:

To Us: Web Lite Designs, Inc.

76 St. Julien St.

London, ON., N5Z2M6

To You: Name and address here

6. Right of refusal. Web Lite Designs has the right to refuse services to anyone in its sole discretion, other than pursuant to a valid Service Description or under the terms of this Agreement.

7. Loss of data. Client is advised hereby that servers on the Internet are exposed to hackers' attacks, viruses and other causes of adverse effects. Notwithstanding anything to the contrary Web Lite Designs shall not be responsible for any loss of Client's data because of any such cause.

8. Interruption of Service. Subject to Section 9 herein, in the event Web Lite Designs's performance of its Website Hosting Responsibilities is interrupted for a period of ten (10) consecutive days solely at Web Lite Designs's fault, Web Lite Designs shall not be considered to be in breach of this Agreement or a Service Description because of said circumstance; however, by written notice, Client may cancel the Website Hosting Responsibilities by immediate notice to Web Lite Designs, whereupon Client will not be charged a cancellation fee and Client shall be entitled to a "Pro rata temporis" refund of a portion of the Website Hosting Fees, equal to the then Remaining Value of Website Hosting Fee (see Section 3 hereinabove for definition).

9. Force Majeure. Web Lite Designs shall not be deemed to be in default of or to have breached any provision of this Agreement because of any delay, failure in performance or interruption of the services to be provided hereunder, resulting directly or indirectly from acts of civil or military authority, civil disturbance, war, terror incidents, criminal acts, strikes, labor disputes and other disturbances, fire, transportation contingencies, shortages of facilities, fuel, energy, labor or materials, or laws, regulations, acts or order of any government agency or official thereof, other catastrophes, or any other circumstances beyond Web Lite Designs's reasonable control. In the event of any such delay or failure, the parties shall defer Web Lite Designs's performance of the obligations hereunder and under the Service Description, to a date and time mutually agreeable.

10. Limited Liability and Liquidated Damages. Web Lite Designs shall not be liable under any circumstances for any special, consequential, incidental or exemplary damages arising out of or in any way connected with this Agreement, the Service Description(s), or the services or product provided hereunder, including but not limited to damages for lost profits, loss of use, lost data, phone bills, communication lines bills, loss of privacy, and damages to third parties, even if Web Lite Designs has been advised of the possibility of such damages. The foregoing limitation of liability shall apply whether any claims based upon principles of contract, warranty, negligence, tort, breach of any administrative, regulatory or statutory duty, principles of indemnity or contribution, the failure of any limited or exclusive remedy to achieve its essential purpose or otherwise. In addition to all other disclaimers hereunder, Web Lite Designs disclaims any and all ANY DAMAGES OR INJURY CAUSED BY ANY FAILURE OF PERFORMANCE, ERROR, OMISSION, INTERRUPTION, DELETION, DEFECT, DELAY IN OPERATION OR TRANSMISSION, COMPUTER VIRUS, COMMUNICATION LINE FAILURE, THEFT OR DESTRUCTION OR UNAUTHORIZED ACCESS TO, ALTERATION OF, OR USE OF, CLIENT'S WEBSITE, WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, TORTUOUS BEHAVIOR, NEGLIGENCE, OR UNDER ANY OTHER CAUSE OF ACTION. CLIENT SPECIFICALLY ACKNOWLEDGES THAT WEB LITE DESIGNS IS AND SHALL NOT BE LIABLE FOR THE DEFAMATORY, OFFENSIVE OR ILLEGAL CONDUCT CLIENT OR OF OTHER USERS OR THIRD PARTIES AND THAT THE RISK OF INJURY FROM THE FOREGOING RESTS ENTIRELY WITH CLIENT. Notwithstanding anything to the contrary set forth in this Agreement or a Service Description, any breach by Web Lite Designs of its obligations hereunder or thereunder will be difficult or impossible to calculate and therefore Client and Web Lite Designs hereby agree as a liquidated damage amount hereunder, the sum equal to one-half of the Website Hosting Fees in effect for the then current Hosting and License Term.

11. Indemnity. Client shall indemnify, defend at Client's expense by counsel reasonably accepted by Web Lite Designs, protect and hold Web Lite Designs harmless from and against any and all claims, liabilities, losses, costs, damages, expenses, including consultants' and attorneys' fees and court costs, demands, causes of action, lawsuits, administrative and regulatory proceedings, arbitrations and other proceedings, and all orders, injunctions and judgments directly or indirectly arising out of or related to the

services or products provided by Web Lite Designs to the Client under any Service Description or this Agreement, or related to any conduct by Client, including without limitation its use of said services and products with and for Client's customers and others. The provisions of this Indemnity paragraph and the provisions of the immediately previous section herein shall survive the expiration, cancellation or termination of this Agreement.

12. Client Conduct. Client acknowledges that Web Lite Designs exercises no control whatsoever over the content of the information passing through Client's Website(s) and that it is the sole responsibility of Client to ensure that the information it and its users transmit and receive complies with all applicable laws and regulations and the provisions of this Agreement. Client will not, and will not permit any persons ("Users") using Client's website or websites or any websites hosted for the Client by Web Lite Designs or any representatives of websites hosted by the Client to use email accounts for spamming. {{Client is prohibited from posting on or transmitting through Client's Website any unlawful, harmful, threatening, abusive, harassing, defamatory, vulgar, obscene, profane, hateful, racially, ethnically or otherwise objectionable material of any kind, including, but not limited to, any material which encourages conduct that would constitute a criminal offence, give rise to civil liability or otherwise violate any applicable local, state, national or international law.}}

13. Email Restrictions/Spamming. Without any obligation on its part to do so under this Agreement or otherwise, Web Lite Designs has a strictly enforced anti-spamming policy (a written copy of said policy is available to you upon request) which is fully incorporated herein by this reference. Client agrees to strictly adhere to said policy. Web Lite Designs monitors its mail servers rigorously in an effort to prevent spamming. Any Client who violates said policy will be in breach of this Agreement and Web Lite Designs will have the right to terminate this Agreement for said cause upon notice to Client, and without any Client right of refund of any monies hereunder. Any Client of Web Lite Designs is considered to be spamming in Web Lite Designs's reasonable discretion and therefore in breach of this Agreement if it:

- Posts 25 or more messages similar in content to any type of mailing-list group, forum, Usenet group or similar email group anywhere on the Internet.
- Sends unsolicited mailings to more than twenty-five (25) e-mail users, if such unsolicited emailings could reasonably be expected to provoke complaints;
- Falsifies its user information as provided or which may be provided to Web Lite Designs or to other users.
- Engages in any of the above activities by using the service of another provider, to channel such activities through any Web Lite Designs account, co-located server, mail server support server or DNS server.

14. Equipment and Use Policy. Without obligation to Client to do so, Web Lite Designs monitors all of its servers and websites on a regular basis for violations of the following equipment and use policies. Any Client who, as determined by Web Lite Designs in its reasonable discretion, violates said policies described below will be in breach of this Agreement and Web Lite Designs will have the right to terminate Client's rights under this Agreement without any Client entitlement to any refund of sums payable hereunder. Client shall not:

- Offer services for illegal activities or activities harmful to others' computers, data, software or networks, including but not limited to hacker activities, virus creation and distribution, denial of services attacks, e-mail bombs etc.
- Use any of Web Lite Designs equipment, products or services to post copyright, trademark, patent, trade secret or other intellectual property infringement, including but not limited to offering pirated computer programs or links to such programs, serial or registration numbers for software programs, copyrighted music, copyrighted images; copyrighted texts etc.
- Use any of Web Lite Designs's equipment, products or services to post any material that exploits children under 18 years of age.
- Use any of Web Lite Designs's equipment, products or services to post material that is offensive to the online community, including but not limited to profanity, bigotry, prejudice, racism, hatred, etc.
- Use any of Web Lite Designs's equipment, products or services to promote or provide information about illegal activities, promoting physical harm or injury against any group or individual, defames any person or group or promotes any act of cruelty to animals.
- Use any of Web Lite Designs's equipment, products or services to post or gather personally identifiable information for unlawful purposes, or which may be against public policy, or to harass anyone or to post illegal or unlawful materials..

Web Lite Designs considers the above conduct to constitute abuse of our services and of the recipients of such unsolicited mailings and/or postings, who often bear the expense. Therefore, said conduct is prohibited by this Agreement.

In addition, Web Lite Designs reserves the right, where feasible, to implement technical mechanisms to enforce any of the rules of conduct stated herein.

Nothing contained in this Agreement shall be construed to limit Web Lite Designs's remedies in any way with respect to any of the foregoing prohibited activities, and Web Lite Designs reserves the right to take any and all additional actions provided by law or under this Agreement, as it may deem appropriate with respect to such activities. Web Lite Designs reserves the right to suspend and/or terminate Client's rights hereunder at

any time for any failure of Client, its Representatives or its Users to comply with these Rules and Regulations.

15. Default; Remedies; Suspension and Termination of Service; Attorneys Fees Upon breach or default of Client under any provision of this Agreement or any Service Description, Web Lite Designs shall be entitled to exercise any of its remedies provided hereunder or under applicable law, including without limitation; (a) termination of its Website Hosting Responsibilities and suspending all its otherwise ongoing performance obligations hereunder; (b) termination of any and all software licenses provided hereunder; (c) demanding payment for any remaining amounts unpaid under the terms of this Agreement or under any Service Description, which amounts shall be immediately due and payable notwithstanding anything else in this Agreement; (d) seeking and obtaining any relief it is entitled to at law or in equity, including damages and injunctive relief, and including interest at the rate for judgments in the province of Ontario, from the date of said breach. The exercise of any remedy under this Agreement by Web Lite Designs shall not be exclusive to the concurrent exercise of any other remedy provided. Web Lite Designs shall be entitled to reimbursement of its attorneys' fees, costs and expenses in exercising its remedies hereunder, including efforts made prior to commencement of any legal action or arbitration, through the pendency of such action(s) and the appeal thereof. Client shall pay all said amounts to Web Lite Designs upon invoice thereof.

16. Integrated Agreement. This Agreement and any Service Description(s) together constitutes the entire understanding and contract between the parties and supersedes any and all prior and contemporaneous, oral or written representations, communications, understandings and agreements between the parties with respect to the subject matter hereof, all of which representations, communications, understandings and agreements are hereby canceled to the extent they are not specifically merged herein. The parties acknowledge and agree that neither of the parties is entering into this Agreement on the basis of any representations or promises not expressly contained herein.

17. Severability. If any provision of this Agreement is or becomes unlawful, void, or for any reason, unenforceable, it shall be deemed separable from, and shall in no way affect the validity or enforceability of, the remaining provisions of this Agreement, which shall remain valid and enforceable according to its terms.

18. Governing Law and Venue. This Agreement was entered into in the Province of Ontario and the laws (excluding its conflict of laws rules) and judicial decisions of the Province of Ontario applicable to contracts entered into and performed entirely within the Province of Ontario shall govern its validity, construction, interpretation and legal effect. Any action at law or in equity arising under this Agreement shall be filed only in Courts of the Province of Ontario or the Canadian Court for the Province of Ontario. The parties hereby consent and submit to the personal jurisdiction of such courts for the purposes of litigating any such action.

19. Assignment. Client may not assign its rights or obligations under this Agreement or any Purchase Description without the prior written consent of Web Lite Designs, which consent shall not be unreasonably withheld. Any assignment without said consent shall be void, and any assignment or attempt to assign this Agreement by Client without said consent shall be a breach of this Agreement. Web Lite Designs may assign its rights and obligations under this Agreement and any Purchase Description without Client's consent.

20. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors in interest and permitted assigns. In the event Web Lite Designs is purchased, Web Lite Designs shall continue to be bound by, and honor, the terms of this Agreement. In the event a third party purchases the assets of Web Lite Designs, including this Agreement, said purchaser may acquire the rights under this Agreement only upon its assumption of Web Lite Designs's obligations under this Agreement. In the event Web Lite Designs permanently closes its business other than in connection with the purchase by a third party of Web Lite Designs's assets including this Agreement, Web Lite Designs will provide Customer a copy of all Programs currently licensed to customer, the graphical files used by the Web site interface and a backup copy of all personal data contained in the web site for its continued use without further consideration, provided that Customer agrees in writing not to make any claim whatsoever against Web Lite Designs, its owners, directors, officers, employees, agents, successors or assigns. This Agreement is effective upon execution by Customer and acceptance by Web Lite Designs

21. Miscellaneous. Titles to Sections or paragraphs hereunder and markings on this Agreement not a part of the text or signatures are meant for organization of this Agreement's provisions and shall not be controlling. In the event of any conflict between the terms of this Agreement and the terms of a Service Description, the terms of the Service Description shall control.