

2 Parts Magic Web Development Terms of Service

1. Introduction

2 Parts Magic (<http://2partsmagic.com>) is a business unit of RimuHosting Ltd (<http://ri.mu>). A New Zealand registered company. This document contains 2 Parts Magic's (the "Developer", "company", "us", "we", or "our") Terms of Service. 2 Parts Magic expects its clients (the "customer," "Client", "user," "you," or "your") to carefully read and understand this document. By doing business with 2 Parts Magic, you are subject to the following terms and conditions.

2. Charges & Fees

A \$1,000 USD deposit is due on engagement.

Work performed is itemised and invoiced weekly. Work is charged by the hour (to the nearest 15 minutes). For the first four weeks of an engagement invoices are payable net 7 days. After that period invoices are payable before the 10th of the month following when the invoice is issued. We accept credit cards, wire transfers, PayPal and payments to our New Zealand bank account.

All prices are exclusive of any GST. GST is added to all invoices for NZ-based customers.

Upon receipt of the USD 1,000 deposit and request by the Client a USD 500 credit will be added to the Client's RimuHosting server account. 2 Parts Magic will setup an appropriate LaunchtimeVPS (<http://launchtimevps.com>) server under that account which will be used for the deployment and testing of the application (separate to any other servers the Client may operate). This server will be charged to the user's RimuHosting account.

3. Additional Expenses

Client agrees to reimburse 2 Parts Magic 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 or illustrations or graphics at the Client's request.
- Purchase of specific software at the Client's request.
- Submittal to specific search engines at the Client's request.

4. Quotes & Contracts

Quotes and promotional rates provided to prospects will be honored for up to 15 days. A new quote will then be provided upon request. Contracts that have been written, but not signed by the client will only be accepted within 30 days of the delivery date. A new contract may be drawn up upon request.

5. Refunds

Any refunds will be provided at the sole discretion of 2 Parts Magic.

6. Web Site Credit

All 2 Parts Magic custom web design clients will have 2 Parts Magic link and logo on their website footer. The link text will reflect the work we have performed: "Designed by 2 Parts Magic."; "Developed by 2 Parts Magic."; "Developed by 2 Parts Magic; Hosted by LaunchtimeVPS". This link may NOT be removed without our consent. At our sole discretion, we may agree to accept a fee of \$350 USD to allow this link to be permanently removed. Should you have a new layout designed for your site by a company other than 2 Parts Magic you may remove the credit from your website.

7. Project Timelines

2 Parts Magic will provide its best timing estimates (for the duration of tasks and delivery dates). 2 Parts Magic will update those estimates as soon as it is aware of any information that may change those estimates. 2 Parts Magic will use all reasonable efforts to deliver on schedule and to budget.

2 Parts Magic cannot be held liable for the failure to complete a project within a pre-determined time frame or by a specified deadline. We cannot be held liable for any predicted estimate of profits in which a client would have gained if their site was functioning or had been published (made publicly available online) by a certain date.

8. Copyright & Ownership

2 Parts Magic transfers all rights and ownership of custom designs, graphical elements and programming created by 2 Parts Magic for the purposes of the client project to the client upon full payment of your account.

Software library and utility code that is not client-application specific, third party software and third party graphics and design elements are not transferred to the client and remain under copyright of their respective owners.

2 Parts Magic retains all rights to any of its own core/shared/utility/infrastructure/library/framework code and tools ("background technology") used in the development of the Client's project. 2 Parts Magic gives the Client a perpetual, non exclusive, worldwide, royalty-free license to use that code for the purposes of the development project.

2 Parts Magic reserves the right to resell custom designed web sites that remain unpaid by the Client, unaccepted mockups or other graphics created by 2 Parts Magic but not in legal use by the client.

2 Parts Magic reserves the right to display websites and graphics that have been designed by our company, and in any marketing material to aid as examples of our work.

Client unconditionally guarantees that any elements of text, graphics, photos, designs, trademarks, or other artwork furnished to 2 Parts Magic (for inclusion in web pages or any other project) 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 indemnify 2 Parts Magic from any claim or suit arising from the use of such elements furnished by the Client.

9. Third Party Vendors

Third party vendors may have separate terms of service agreements. 2 Parts Magic cannot be held liable for disputes with third party vendors. 2 Parts Magic cannot be held responsible for lack of functionality or any other aspect of third party services.

10. Termination of Service

We reserve the right to discontinue the design of your website and terminate our mutual business relationship at any stage in the design process and for any of the following reasons:

(1) We believe your behavior or communication towards our staff (employees, owners and affiliates) or other customers is offensive, abusive, violent, threatening or disruptive in any way.

(2) Our employees, representatives, support staff and or other members of 2 Parts Magic believe they are unable to communicate with you effectively. This may be due to an inability to reach you over a prolonged period of time or in the case that we are not able to

come to an agreement about certain aspects of the design of your website.

(3) We believe our work is to be used for illegal, unethical, harmful or offensive purposes.

If we decide to discontinue the design of your website, you will be provided with a partial refund, calculated based on the time we spent working on your website and communicating with you in regards to the project. The amount of the refund provided will be decided at our sole discretion.

The Client may terminate the development service at any point in time with no notice. 2 Parts Magic will invoice for any un-billed time at that point.

11. Nondisclosure.

2 Parts Magic, its employees and subcontractors agree that, except as directed by the Client, it will not at any time during or after the term of this Agreement disclose any Confidential Information to any person whatsoever. Likewise, the Client agrees that it will not convey any confidential information (including pricing or development methodologies) obtained about 2 Parts Magic to another party.

12. Warranties

2 Parts Magic and its suppliers provide the Software and support services (if any) AS IS AND WITH ALL FAULTS, and hereby disclaim all other warranties and conditions, whether express, implied or statutory, including, but not limited to, any (if any) implied warranties, duties or conditions of merchantability, of fitness for a particular purpose, of reliability or availability, of accuracy or completeness of responses, of results, of workmanlike effort, of lack of viruses, and of lack of negligence, all with regard to the Software, and the provision of or failure to provide support or other services, information, software, and related content through the Software or otherwise arising out of the use of the Software.

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

For a period of 120 days after the completion of the project 2 Parts Magic will work to correct any defects or bugs or add or improve features. The standard rates under this agreement would apply for the time spent making those changes. After the 120 day period any corrective or further development work would be performed under mutually agreed terms.

13. Limitation of Liability

You understand and agree that 2 Parts Magic and any of its subsidiaries or affiliates shall in no event be liable for any direct, indirect, incidental, consequential, or exemplary damages. This shall include, but not be limited to damages for loss of profits, business interruption, business reputation or goodwill, loss of programs or information or other intangible loss arising out of the use of or the inability to use the service, or software, or information, or any permanent or temporary cessation of such service or access to information, or the deletion or corruption of any content or information, or the failure to store any content or information. In jurisdictions where the exclusion or limitation of liability for consequential or incidental damages is not allowed the liability of 2 Parts Magic is limited to the greatest extent permitted by law.

The above limitation shall apply whether or not 2 Parts Magic has been advised of or should have been aware of the possibility of such damages.

In no event shall 2 Part Magic's cumulative liability exceed an amount greater than USD 5000.

14. Indemnification

You agree to protect, defend, indemnify and hold us harmless from and against any and all claims, causes of action, liabilities, judgments, penalties, losses, costs, damages and expenses (including attorneys' fees and all related costs and expenses of litigation at arbitration, or at trial or on appeal, if any, whether or not litigation or arbitration is instituted) suffered or incurred by us, including, without limitation, any claim for personal injury, property damage, or loss of profit arising from: (i) these Terms; (ii) the Services provided to you by us; (iii) your use of the Services including without limitation any copyright infringement claims that could arise from storing your website files on our web server; (iv) the failure of our company to provide any services on time or as expected; (v) loss, damage, or destruction of your website or email messages by any cause whatsoever whether or not attributable to our negligence or intentional act; (vi) any violation by you of any federal, state or local laws, statutes, rules or regulations; and (vii) for the consequences of any attempts of third parties to serve you with legal process through the Services or our facility. For purposes of these Terms, the indemnified parties shall include 2 Parts Magic and its owners, affiliates, subsidiaries, parents, shareholders, members, successors, assigns, representatives, franchisees, officers, directors, agents, attorneys and employees.

The above limitation shall apply whether or not 2 Parts Magic has been advised of or should have been aware of the possibility of such damages.

15. Laws Affecting Electronic Commerce.

The Client agrees that it is responsible for complying with the laws, taxes, and tariffs related to e-commerce, and will hold harmless, protect, and defend 2 Parts Magic and its subcontractors from any claim, suit, penalty, tax, or tariff arising from the client's use of Internet electronic commerce.

16. Relationship

2 Parts Magic understands that this relationship with Client is that of an independent contractor and that nothing in this Agreement creates a joint venture, partnership, or employer-employee relationship. Accordingly, 2 Parts Magic is not entitled to any benefits that may ordinarily be extended to employees, and is not authorized to make any representation, contract or commitment on behalf of Client unless specifically authorized to do so by Client. The parties hereto understand that neither of them has authority to bind the other in any contractual arrangement with any third party.

17. Legal Jurisdiction

This agreement shall be governed by and construed in accordance with the laws of New Zealand. Any arbitration or court action shall occur in Hamilton, New Zealand.

If any provision of this agreement shall be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from this agreement and shall not affect the validity and enforceability of any remaining provisions.

18. Entire Agreement

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.

Revised and effective: January 31st, 2012.

Signatures

2 Parts Magic	Client
_____ Signature	_____ Signature
_____ Date	_____ Date
_____ Name and title	_____ Name and title

Please complete this form, sign the agreement, scan the document and email back your reply.

Contact Name _____

Company/Client _____

Phone _____ Mobile _____

IM _____ Skype _____

Address _____

City _____

State/Region _____ ZIP/Postal Code _____

E-mail address _____

Present WWW URL (if any): _____

Appendix 1 Hourly Rates

Development fees are charged per hour (to nearest 15 minutes)

Developer rate is dependent on the developer:

Justin USD 80/hr

Peter USD 100/hr

Systems administration (RimuHosting team member) USD 60/hr

Time charged includes:

- preparing preview server environment;
- writing application code;
- creating website design;
- creating graphical elements;
- designing database schema;
- meetings (phone, skype, face-to-face) with client;
- preparing documents and emails;
- deploying application to preview and production environment;

- fixing bugs and changing or adding features;
- other application related activities.

Total number of hours and a summary of activity for each staff will be included in each weekly invoice.

For the convenience of our customer, the invoices may be converted to the customer's currency at the prevailing exchange rate at the time the invoice is created.

Appendix 2 Project Expectations

The client will provide us their requirements: written descriptions of what is required; hand drawn sketches (or HTML) of web designs and web forms; information about any significant deadline dates. We will also take notes from emails and phone conversations.

We will prepare a work plan with timing estimates. This may vary over time as we gather more information, as requirements change, and as we get a better understanding of your needs.

Architecture: For new application development work we will target deployment on Linux based servers; using a MySQL database with innodb; with an HTML5/CSS3 front end; and a Tomcat Java server on the back end. In some cases we may also modify existing/legacy system using those pre-existing databases/languages/code/systems.

Servers: Upon payment of the USD 1000 deposit and your request we will deploy a LaunchtimeVPS server on your RimuHosting account. This will have a live view of the current version of the application. We will install on the preview server a source repository which will reflect the latest code running on the preview server. At the time of production deployment we will discuss the most suitable hosting for your needs.

Reporting: our goal is to report our progress to you via email weekly. We will report what we worked on and achieved the previous week. And what is planned for the coming week.

Communication: We are available via phone or Skype or IM. And we encourage you reach out to us as often as you need to. Our staff are typically available Monday to Friday NZT from 1000 to 1600 (=Sunday to Thursday 1300 to 1900 PST)

Feedback: please keep us posted on any changes you would like in the live preview site, or in any future work we have planned.