

Presented by:

apogeeINVENT

Driving real business and opportunity through the online experience.



Contact Information:

Toll Free Number:
(866) 808.2963

Website:
www.ApogeeInvent.com

eMail:
info@ApogeeInvent.com

Corporate Mailing Address:

PO Box 167
St. Anthony ID 83445

Physical Locations:

St. Anthony, Idaho
Portland, Oregon
Costa Mesa, California
London, England U.K.

ApogeeInvent eVideoLive Online Video Serving Platform

Project Team Introduction

ApogeeInvent has been working as a team in the online technology arena since June of 2004. The founding partners Beto Paredes and Joseph Frazier have over ten years of experience in this field. Both take special interest in every project, monitoring the development process as it occurs.

At ApogeeInvent, we are always excited to begin a new project. Our team, consisting of experienced software engineers and professional designers, has worked together on numerous projects since the company's inception. We have completed over 1700 projects to date and have written over two million lines of code, creating a memorable presence for many successful companies. We are certain this project will be equally successful.

All our projects are managed by Dwight Calwhite, CTO, and created by accredited designers, writers, and software engineers. All are degreed professionals with extensive experience in every part of the project, from start to completion.

Web Content Development and Search Engine Optimization Standards:

- **Content Analysis-** We complete a full content analysis of any existing content for the website either online or in the form of other marketing materials. This analysis is done to convert the current content into superior web content that will increase website ranking to ensure the site is at the top of the search engines.
- **Content Development-** As part of the service we will also further develop website content by either creating or greatly enhancing your current information to present it on the web with the appropriate density for top search engine placement.
- **Meta-tag Development-** We will create custom meta-tags for each of the pages on your new website. Each of the pages on the web has a unique subject focus pertaining to the product or services that you're bringing to the online audience. Through the meta-tags, we instruct the algorithms of the various search engines as to where and how your website is to be placed.

Website Design Standards:

- **Creative Interview-** We will conduct a full creative interview with you and your staff in order to learn exactly what you want to present to your online audience. Through this interview we will help you determine your color scheme, logo placement and precisely how to design and lay out your new website.
- **Language Usage-** We develop our websites utilizing the most current and advanced languages. We use full CSS layouts and HTML standards that are all 2.0 compliant (2.0 is the current industry standard). Depending on the specified website layout, other languages may be used, such as JavaScript, ActionScript and PHP.
- **Website Layout-** We will skillfully design custom exterior web pages for your new website. Included in these pages are standard web pages such as home, about us, our services, contact us, and so on. Each page will have unique images and a styled layout giving them a rich look and feel.
- **Custom Navigation-** You have several navigation choices including folder tabs, drop down menus and side tab menus. We will delineate the unique advantages of each and review these options with you so you can select the best possible choice for your new website layout.
- **Logo Incorporation-** We will take your current logo and any other branding you have and incorporate it into the website. If you do not have one, a professionally styled logo for the web is included in this contract.
- **Contact Web Form-** The website comes with a standard contact web form where visitors can inquire about the business and email questions. This form includes a place for first name, last name, email, best time to contact and a form entry for the body of the inquiry.

Website Submission Standards:

- **Search Engine Submission-** We will publish your new website to Google, Yahoo, MSN, ASK, and 2500 other traffic generating services online.

- **Placement Tracking-** We will track your online placement until we find you have been indexed and placed appropriately on the search engines.

Dynamic Website Standards:

- **Dynamic Pages-** Each of the pages on the website have the ability to be edited through our user friendly WYSIWYG editor. This gives you the ability to change text size, type, color, add pictures, add hyperlinks and change the content of the website pages without having to understand HTML. The editor also provides you with the ability to work directly in the HTML should you desire to do so.
- **Dynamic Language Usage-** In combination with the language standards for CSS and HTML we will be establishing a MySQL database in order to incorporate the dynamic areas of the website. The website will be converted to a full application with the active server page language PHP as the core interface engine.
- **User Access-** Your dynamic website comes with a secure login that requires a user name and password to enter the editable portions. You are able to define more than one user and create multiple login profiles so others can edit the website as well.
- **Announcement System-** The user portal has a customizable landing page where you can put in simple news and images for those that are allowed to log into the system.
- **Form Creation-** The dynamic website comes with one fully laid out form of average size, such as a simple quote manager, allowing you to interact with your website visitors.
- **Newsletter Administration-** The dynamic website comes with a newsletter sign up form. This stores individual emails that are interested in receiving newsletters and further information from your company. This also comes with a basic suppression list which allows people that sign up for your newsletter to opt out. You are able to download the list by CSV and upload into most email broadcast systems.
- **eMail and Inquiry Database-** Besides being emailed directly, all of the inquiries made on the website will be stored securely in the MySQL database. They are organized with a list and view format making it easy to review the various requests. The information can be queried by date range or searched by key word or phrase.
- **Tracking System-** The dynamic websites comes with a basic per page hit counter, HTTP refers (where the hits are coming from) and a simple interface to access the information.

WYSIWYG Editor

- **Advanced Page Changes-** The What-You-See-Is-What-You-Get (WYSIWYG) editor allows you to make advanced page changes without any required technical knowledge. This makes editing or updating your system simple for anyone in your company.
- **Editor Access-** You are able to click on the Edit link located in any dynamic area of your website. This will open the WYSIWYG editor and give the Administrator (any user with access to the system) complete control over the content in that area.
- **Edit Functionality-** The WYSIWYG editor works in a similar fashion to Microsoft Word. You simply click buttons to format your text in any way you like. Change text size, make it bold, change the background color, move it to the right, and any other edits you wish to make.
- **Layout-** Edit the layout of your text through the table editor.
- **Links-** You can easily and efficiently create links to other websites or any location within your own site with just a few clicks. This will allow you to make changes to your current links, add links to other locations for ease of use, and remove links that you no longer want.
- **Archive Changes-** The WYSIWYG editor saves a copy of every version of your dynamic content. If a mistake is made or the new content isn't what you wanted, it is easy to revert to a previous version. Each step is archived through this function.
- **Media Uploads-** You can choose to upload any kind of media content directly onto your site using this editor. It makes it simple and converts it to fit in the dynamic areas you select.
- **Image Uploads-** Like media, the editor makes uploading images simple. You can upload any number of images and arrange them how you wish within the web page.
- **Video Uploads-** If you have the Video Package enabled, you will be able to upload any number of videos to your site. They will be encoded and play directly from your site in a standard embedded video player (similar to YouTube video player Functionality)

- **Audio Uploads-** If you have selected to have the audio package enabled, audio clips can be uploaded and played using our standard audio player.
- **Language Translation-** The editor also performs language translations so you can select to host content in other languages on your site.

Administrative System / Management Portal

- **System Messages:** Network Operators can set a default message to be sent to all members who have signed up for the network, as well as send broadcasts to all of their network members.
- **Integrated Statistics:** Statistics are tracked for every channel / item in the network. Administrators can get a summarized report of how well their network is performing with the latest signup and traffic numbers, as well as see the heaviest viewed content and channels on the network.
- **Content Management System:** This will allow any changes to be made to the content on your site / in your system. The administrator will be able to easily update news items and content to reflect changes in the site or merely keep new and interesting content available to users.
- **User Management:** The administrator can view users in the system, their viewing habits, and whether they are subscribing to premium or basic services, etc.
- **Payment Reports:** Reports on subscribing or pay-per-view users will be available for review in the administrative portal.
- **Email Notifications:** If there are problems with system or a contact administrator page for users, the emails will appear in the back end for you to review. Automatic notifications of failed reports will also appear.
- **Video Administration System:** a comprehensive back end system allows you to set up your channels however you wish, creating packages based on unlimited permission levels, set up unlimited channels, add content, allow users to add content, and manage your entire system.
- **Secure Login:** Every account comes with a login that is fully incorporated with user name and password security to a web user portal. Administrator can create multiple accounts with various permission levels for employees to manage system.

Multi Channel Video Features

- **Unlimited Channels:** This technology allows for the creation of unlimited channels. The channels can include any kind of content, from uploaded personal content of various users to a syndication of content drawn from other sites, to professionally licensed content. These channels can be managed through the administration portal.
- **Categorization:** Channels can be categorized in any way you choose; by genre, popularity, designated maturity level (you can set your own or use the MPAA ratings), users-uploaded vs. administrator-uploaded, etc.
- **Flagged Content:** Through the back end control panel you will be able to view content or channels that have been flagged by users and choose to remove it or let it remain. This is especially useful for sites that allow users to upload their own content that may be offensive or infringe on licensing laws.
- **Premium Channels:** You can set channels to be only available to premium viewers. This could be the most popular channels, or licensed content channels, or any other criteria. These channels will only be viewable when users subscribe to a premium membership. Payment reports will be available to the administrator and to their user in their account, such as when their next payment is due, when the last payment was made. The administrator can modify payment information through the secure back end.
- **Channel Hierarchy:** This allows you to set specific channels on different permission levels. For example, the top rated or most viewed channels could be listed as "Premium Pay-per-view", so only those paying for a premium membership can view these channels. You can set an unlimited number of permission levels associated with the channel hierarchy.
- **Video Library:** This is all content that can be archived into a video library and accessed by the administrator or users on demand or on a pay-per-view basis.
- **Permission Levels:** The administrator can set permission levels for every user, and the system allows for unlimited levels. You can also select any combination for different levels, such as favorites or most viewed being premium, or allowing a specified number of channels or single views, depending on the permission level. This will allow you to create any type of viewing packages for your users.

- **Video Encoding:** If you opt in to get the video encoding service engine that we provide, videos are encoded VP6, which is a high quality encoding process for the web. The system comes standard with FMPEG encoding as delivered with the technology. This will result in higher quality streams.

Video Content User Features

- **Trial Subscription:** You can select to set up the premium channels for users to view on a trial-basis for a specified amount of time. This will allow users to enjoy the channels and an automated email will be sent out when their trial subscription is about to run out, prompting them to renew their subscription by paying the fee or fulfilling the designated obligation to become a premium member.
- **Pay-Per-View:** Specific channels or each channel can be set on a pay-per-view basis. This will allow users to pay for each individual item to play a single time or pay for an entire channel (or a group of channels) to play for a specified time frame.
- **Frequently Watched:** This allows the administrator to turn on and off the option of having videos that are most frequently watched to be displayed on specific channels, or an entire channel of “frequently watched” items to appear on the homepage. This will make the most appealing / popular video content the most visible.
- **Being Watched Now:** Like frequently watched, the administrator can select to have videos that are being streamed in real time to appear on the homepage or any other page, so visitors to the site can see what is currently being viewed.
- **Ratings:** Users can rate the content they view. You can also select to allow comments to be made on channels or specific content. The most viewed or favorites can be turned on so a list of favorite channels can appear on the homepage or any other page, and you can also choose to have all the favorite content to appear in a single channel of “Favorites” or “Most Popular”, etc.
- **Simple Search:** Users can search the channels and content using a simple search, which will prompt them to enter keyword(s) and allows them to search the entire site. This is a quick and easy way to find a specific channel or individual item.
- **Advanced Search:** This is a more advanced search. It will allow users to select search criteria to filter the content / channels, such as Most Viewed, Highest Rated, Genre, or any other designated criteria.
- **External Syndication-** You can allow users have the option of pushing their favorite content and video submissions into MySpace and YouTube directly through our system, allowing them to share content with others and in various social networks.
- **Content Download:** Users can download content to be viewed when they are offline (protected via encrypted database file system). Content-view permissions and expiration can be set so users only have a specified amount of time to view the content before needing to be reconnected to the server to check for permission to view the content. This allows for faster playback without buffer times as well as offline viewing.
- **Suggestion System:** This will suggest to users other content they may enjoy viewing, based on their past selections. (“If you liked that, then you’ll love this”, or “Other People with similar preferences enjoyed these...”)

Professional Design and Content Development Credits:

The eVideoLive Platform comes with 60 hours of professional design and content development credits to give your platform an attractive, customized appearance. These are added as a credit towards this platform to be used at any time after the purchase of the software. These credit hours may only be used for customizations to the product features detailed in this contract. Most clients are able to make all design revisions and content editing/creation within this time period. We charge standard hourly rates, available on our website, for any additional design and content development work that exceeds these sixty free hours. Keep in mind that requests outside of what is detailed in the contract may cause you to go over credit hours and be charged hourly. Any unused credit hours will expire upon delivery of project. This platform also includes up to \$30 of free image / photo purchases for use in the platform design. If the total cost of images purchased exceeds \$30, the price of images will be billed to the client at cost, or the client may choose to purchase the images themselves and send them to the Creative Director.

Languages

Our technology is written in a combination of PHP, various other web languages (XML, Soap, AJAX) and Action Script (flash code base) on a MySQL database structure. Our choice of language is based on flexibility, usability and a very strong existing code library that we have developed over time.

Weekly Meetings

Company will be allotted a one hour weekly meeting time during the project with the project managers of ApogeeInvent to discuss progress. Access to additional meetings will be provided upon company's request. These additional meeting times will count towards the customization credit hours allotted in this package.

Training

We will give your staff full training on how to use the system. We can do this individually for up to 3 staff members or we can do up to 3 conference meetings to review the use of the system. Further training can be requested at an hourly rate.

Cost of Service, Time Frame and Installation

The ApogeeInvent eVideoLive Online Video Serving Platform base cost is \$14,295

We take payments for the ApogeeInvent eVideoLive Platform in two installments. Half (\$7,147.50) is due upon commencement of the project and the remaining half (\$7,147.50) is due before the final project is uploaded to the web. You will receive an official invoice for both from ApogeeInvent.

Estimated time to delivery and full installation is 5 to 7 weeks from the time contract is delivered to Project Manager. This process of scheduling creative and content interviews, assigning designers and developers, and officially turning project over to the Manager will take approximately 1 to 14 days from the time the contract is enacted. This time frame covers the exact details of what is found in this contract. Installation is included. Any additional scripting outside of the exact details of this contract will be billed on a Net 7 the Monday after the week the work was done.

Further Development on this Project

Once the system is in place we offer you continuing development services per hour on this particular project. This will allow you to customize the platform however you desire. We only bill when we are working on your projects. We are usually available to handle anything you need.

Apogee 2 Year Limited Warranty

If your application fails to perform the specifications outlined in this contract, we will investigate the conditions which led up to the problem(s) of concern. If it's determined that the conditions which created the issue were directly related to the software/web development performed by ApogeeInvent we will remedy the issues as quickly as possible.

Forthwith there are certain conditions such as choice of database structure, pre-existing code, service of the host, server attacks, moving the software away from installation point and other potential factors that may be determined by us to be in breach of this warranty. As a condition of this warranty no other party outside of assigned ApogeeInvent staff may alter, access or move the code or software in any way without consultation and permission from ApogeeInvent's executive staff. In the instance of such a violation, the warranty is void immediately.

Late Payment Policy

To ensure to the swift completion of your project, please make all your payments in a timely manner. All of the code for the projects we work on is to remain on the ApogeeInvent development server prior to an agreed to launch date. Client is able to access, test and use the code base on our servers in the same way they would if it was live on their servers. At launch, once the product cost and/or invoicing has been paid in full, we will transfer the code to the environment of choice

for the client. We often work on live versions after the code has been launched. Once the project is launched we reserve the rights to maintain user log in information to the client's live code base during development and until all invoices are paid in full. We back up the code that we work on at the end of every work week. If payment is not executed within 5 business days of the due date on the Net 7 billing cycle, and arrangements for alternative payment is not made, ApogeeInvent will cease all development on the project until payment is made. A late payment fee of the greater of \$15 or 5% of the unpaid installment amount will also be added to the unpaid invoice(s). Although we are usually very flexible with clients that keep in good communications over payments, ApogeeInvent reserves the right to roll back the code to the previous version before the development was done in the period that remains unpaid. It is also under our discretion to shut off a platform at any time if payment has not been made in full, or charge hosting fees once the project is completed and remains on our server.

Refund Policy

Apogee Design does not generally offer refunds. However, because we value our customer's satisfaction, if a customer feels that an ApogeeInvent product or service has excessively failed their expectations then they may contact us via email for individual consideration of a full or partial refund. As a convenience ApogeeInvent offers the ability to use credit and debit cards for smaller payments toward products and services rendered. By signing this agreement client agrees not to charge back their payments to ApogeeInvent and instead to work with ApogeeInvent on arrangements for refund if one is offered. Refunds are fully left to the discretion of ApogeeInvent.

Project Credit Hours, Timeframe and Deadlines

Software and website development and distribution deadlines are meant to be a guideline, and we fully intend to meet all deadlines quoted to our customers. Due to the nature of custom agile development, timeframes can be compromised by unforeseen events or new client requests in the design and engineering process. We want our clients to have creative freedom to take the project in any direction they choose. However, keep in mind that requests made by you outside of this proposal, or third-party involvement, can add additional time and cost to the platform. Features that are listed may, as a result, go over credit hours if the client decides to take the project development in a new direction. We fully understand our client's have deadlines surrounding funding and marketing objectives for delivery of their product. We do everything we can to match our development speed and delivery to these deadlines. In the software industry unrealistic deadlines can result in a poor quality of software and therefore on occasion we will extend deadlines to assure that high quality and usable products are produced from our projects. We do not guarantee that project completion will occur by the quoted deadline or credit hours.

Custom Development

All custom development is billed hourly based on the current pricing found on our website. Due to the nature of custom development, we offer our clients incremental reporting on their projects. All of the engineering we do is well documented and submitted with our invoicing. Hours spent in client meetings, coding, debugging, testing and installing a customized platform are all considered billable hours. (Product platform installation is included in product price.)

Ownership

Client is receiving an unlimited license to possess and use the software platform developed by ApogeeInvent as they see fit within the constraints of their own enterprise. Client may sell their business and the platform along with it, valuing the software application with that purchase, but may not simply replicate the code structure and begin selling the code base as a product or duplicate it for any other purpose other than backup without further contracting with ApogeeInvent. The code base and modules used to develop the client's project are part of the ApogeeInvent dynamic skeleton code base and rights are retained by ApogeeInvent and their developers. Client agrees to allow ApogeeInvent to use their project in marketing efforts including but not limited to samples, case studies, in their portfolio, or other locations. ApogeeInvent may also include a small label on the work they have performed.

Entire Agreement

This agreement contains the entire understanding of the parties and supersedes any and all previous verbal and written agreement or understandings. There are no other agreements, representations or warranties not set forth in this



agreement. This agreement will bind, and inure to the benefit of, the parties and their respective successor and assigns. Any modification, amendment, or waiver of any provision of this agreement may be made only in writing and signed by both parties. The failure by any party to exercise any rights granted herein upon the occurrence of any event set forth in this agreement shall not constitute a waiver of any such rights upon the occurrence of any such event. In the event any provision of this agreement is held to be in violation of any law, statute, regulation, ordinance, or court order, this agreement shall be deemed modified accordingly and to the extent necessary to comply therewith and shall otherwise continue full force and effect. This agreement shall be governed by, and construed in accordance with, the laws of the State of Idaho, and any action, claim or proceeding under this agreement shall be commenced exclusively in the federal or state courts located in the State of Idaho. This agreement may be executed in several counterparts, each of which shall constitute one and the same instrument. Section or paragraph headings in the agreement are for convenience of reference only.

Arbitration Provision

If any dispute arises among the parties, they agree to try first in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Commercial Mediation Rules. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Commercial Arbitration Rules of the AAA. Fees charged by any mediators, arbitrators, or the AAA shall be shared equally by all parties. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

Signature

Upon client signature and initial of each page this contract will be officially enacted and stand as the legal and binding document for the work to be accomplished.

Client Name (Please Print) _____

Business Name (If Applicable) _____

Sign _____ Date _____

Fax Number for contract signature delivery _____ - _____ - _____

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Please fax to 360.251.8734 (Every page with initials and this signature page)

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ApogeeInvent Official Representative

Name _____

Title _____

Sign _____ Date _____