B 10 (Official Form 10) (12/11)		,	
United States Bankruptcy C	OURT District of Delawa	re	PROOF OF CLAIM
Name of Debtor:		Case Number:	<u> </u>
ALC Holdings, LLC		11-13853 (MFW)	
		17 10000 (1111 117)	
			-
NOTE: Do not use this form to make a cl	laim for an administrative expense that arises o	after the bankruptey filing You	
may fue a request for paym	ent of an administrative expense according to	11 U.S.C. § 503.	
Name of Creditor (the person or other entir	ty to whom the debtor owes money or property	/):	1
INET Portals, LLC			
Name and address where notices should be	e sent:	RECEIVED	COURT USE ONLY
INET Portals, LLC Attn: Grahan	n Budd		☐ Cheek this box if this claim amends a previously filed claim.
1420 Marvin Road NE Ste C PM	B 238	I I A N 1 0 2012	previously med claim.
Lacey, WA 98516		JAN 19 2012	Court Claim Number:
Telephone number: (360) 790-6479	email: grobam@inetnestale		(If known)
(300) 730-0473	graham@inetportals.com	BMC GROUP	Filed on:
Name and address where payment should b	ne sent (if different from above):		Filed on:
same as above	,		☐ Check this box if you are aware that anyone else has filed a proof of claim
			relating to this claim. Attach copy of
			statement giving particulars.
Telephone number:	email:		
1. Amount of Claim as of Date Case File			
1. Amount of Claim as of Date Case File	d: \$39,47	72.50	
If all or part of the claim is secured, comple	ete item 4.		
If all or part of the claim is entitled to prior	ity, complete item 5.		
OCheck this box if the claim includes inter	rest or other charges in addition to the principa	3 amount of the 3.1 to 1.1	
	and the principal	amount of the claim. Attach a	statement that itemizes interest or charges.
2. Basis for Claim: Services perform	med		
(See instruction #2)			
3. Last four digits of any number by which creditor identifies debtor:	a. Debtor may have scheduled account as:	3b. Uniform Claim Identifi	er (optional):
1 3 8 9	See instruction #3a)	(See instruction #3b)	
1.5			other charges, as of the time case was filed.
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is see	ourself have Kommer and the Commercial Comme	included in secured claim, i	if any:
sctoff, attach required redacted documents,	and provide the requested information		
			5
Nature of property or right of setoff: DR	Real Estate	Basis for perfection:	
Describe:			
Value of Property: \$		Amount of Secured Claim:	۵
		Amount of Secured Clams	\$
	or SVariable	Amount Unsecured:	\$
(when case was filed)			
5. Amount of Claim Entitled to Priority a	inder 11 U.S.C. § 507 (a). If any part of the	claim falls into one of the follo	wing estagories shoot the han a set
he priority and state the amount.	" · •	The same same and the same same same same same same same sam	
Domestic support obligations under 11	7 Wayan walaning and a single state of the s	A	ALC Holdings
J.S.C. § 507 (a)(1)(A) or (a)(1)(B).	Wages, salaries, or commissions (up to searned within 180 days before the case was		
	debtor's business ceased, whichever is earlie	filed or the employee benefiter— 11 U.S.C. § 50°	7 (0)(5)
	11 U.S.C. § 507 (a)(4).	77 O.O.C. 9 30	Amount entitled to priority:
J Up to \$2,600* of deposits toward	<b>7</b> Thomas 20 10 10		
urchase, lease, or rental of property or	☐ Taxes or penalties owed to governmental 11 U.S.C. § 507 (a)(8).		
cryices for personal, family, or household	11 O.S.C. 8 301 (a)(8).	applicable para	graph of
se 11 U.S.C. § 507 (a)(7).		11 U.S.C. § 507	(a)(_). G
amounts are subject to adjustment on 4/1/1	3 and every 3 years thereafter with respect to	cases commenced on or often the	e date of adjustment
			——————————————————————————————————————
Credits. The amount of all payments on	this claim has been credited for the purpose of	making this proof of claim. (See	c instruction #6)

BM

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

#### INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor. exceptions to these general rules may apply.

#### Items to be completed in Proof of Claim form

#### Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptey court, all of this information is at the top of the notice.

#### Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

### 1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Cheek the box if interest or other charges are included in the claim.

#### 2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan. mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor: State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

#### 3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

#### 3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim: Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a). If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

rate (and whether it is fixed or variable), and the amount past due on the claim.

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

#### 7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(e) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

#### 8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

#### DEFINITIONS

#### Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

#### Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

#### Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

#### **Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

#### Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

#### **Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a

#### Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

#### Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the Mail to: delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

#### **Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

## INFORMATION

Acknowledgment of Filing of Claim To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system

(www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

#### Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e). any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptey court.

United States Bankruptcy Court Attn: Claims 824 Market Street, 3rd Floor Wilmington, DE 19801

INET PORTALS, LLC 1420 Marvin Rd NE. Ste. C PMB #238 Lacey, WA 98516-3878

For Billing Questions: (800) 509-8315

American Laser SkinCare Accounts Payable 24555 Hallwood Court Farmington Hills, MI 48335

Invoice Balance	Invoice Number
\$25,500.00	0001388
Minimum Due	Amount Enclosed
\$25,500.00	
Payment Due Date:	12/01/2011



escription	Charges	Credits	Balance
Custom Environment Monthly Fee	150.00		150.00
Additional Location - Monthy Service - \$150 x 155 locations	23,250.00		23,400.00
liscellaneous Charge - 5 Pack Multi-location User Licenses	1,500.00		24,900.00
discellaneous Charge - ALSC Intranet Application Hosting	600.00		25,500.00
	:		
		:	
		•	
		!	
		Balance:	\$25,500.0

Thank you for using INETPortals. This is your receipt. Please retain for your records.

INET PORTALS, LLC 1420 Marvin Rd NE. Ste. C PMB #238 Lacey, WA 98516-3878

For Billing Questions: (800) 509-8315

American Laser SkinCare Accounts Payable 24555 Hallwood Court Farmington Hills, MI 48335

Invoice Balance	Invoice Number
\$27,945.00	0001389
Minimum Due	Amount Enclosed
\$27,945.00	
Payment Due Date:	11/21/2011



Description	Charges	Credits	Balance
Integration of E-Records Source Code 60 Hrs	6,900.00	·	6,900.00
Integration of Reconciliation Lockdown 15 Hrs	1,725.00		8,625.00
Client & Appointment Migration 40 Hrs	4,600.00		13,225.00
Services and Products Migration 8 Hrs	920.00		14,145.00
Integration of ALSC Ticketing System 40 Hrs	4,600:00		18,745.00
Invoices and Treatments Provided Migration 40 Hrs	4,600.00		23,345.00
ADS Financing Credit Approval API 40 Hrs	4,600.00		23,345.00
		Balance:	\$27,945.00

Thank you for using INETPortals. This is your receipt. Please retain for your records.

## INET PORTALS, LLC SUPPORT AGREEMENT

#### **PARTIES:**

#### PROVIDER:

INET PORTALS, LLC 1420 Marvin Rd NE. Ste. C PMB #238 Lacey, Washington 98516-3878 Phone: (800) 509-8315

Fax: (360) 455-1075

#### **COMPANY ADDRESS:**

AMERICAN LASER SKINCARE 24555 HALLWOOD COURT FARMINGTON HILLS, MI, 48335

PHONE: 248-426-8250

FAX:

EMAIL: JOHNAPRYOR@AOL.COM

#### **EFFECTIVE DATE:**

Provider has entered into an agreement to provide web-based business scheduling, accounting services ("Services") to the Company, and the Company wishes to have Provider provide support and training for the Services. Provider and the Company therefore agree as follows:

- 1. <u>Defined Terms</u>. Certain terms used in this Agreement have defined meanings, which are provided in section 15, and in other sections herein. Definitions of specifically defined terms (appearing in quotation marks and capitalized where defined herein) shall apply whether or not the term is capitalized.
- 2. Term; Automatic Renewal; Termination; Opportunity to Cure. The "Initial Term" of this Agreement shall be a period of twelve (12) months commencing upon the Effective Date. This Agreement shall automatically renew at the end of the Initial Term for subsequent terms (each a "Renewal Term") each of twelve (12) months thereafter, unless either party gives the other not less than thirty (30) days written notice of termination prior to the termination of the Initial Term or thencurrent Renewal Term. A party shall be considered in default under this Agreement only if the party, thirty (30) days after receiving written notice from the other party identifying with reasonable specificity a material failure to comply with any term or condition contained herein (including without limitation The Company's failure to pay any fees or charges due under this Agreement or any related Agreement or service agreement, and including Provider's breach of the limited warranty provided in Section 11), has not cured such failure or breach. In the event that the Company

is in default under this Agreement, Provider in its sole discretion may elect to terminate this Agreement or to place the Company's Support and Training Agreement on hold until such default is cured. In the event that this Agreement is placed on hold pursuant to the preceding sentence, the Company will be charged a Reconnection Fee pursuant to Section 8. In the event that the Provider is in default under this Agreement, Company in its sole discretion may elect to terminate this Agreement and all fees or payments due and owing for actual work performed shall be submitted and all fees or payments due under this Agreement after the termination date shall be cancelled.

- 3. Scope of Maintenance. During the term of this Agreement, Provider agrees to provide "Basic Services" in support of the Service. Basic Services shall consist of:
  - a. Unlimited Support Services. Provider will supply a toll-free line plus Internet access into support to answer questions and help resolve issues not related to error corrections as defined below.
  - b. Error Correction. Provider will use all reasonable diligence to correct verifiable and reproducible Errors within a reasonable time period after reported to Provider. The Error Correction, when completed, may be provided in the form of a "temporary fix," consisting of sufficient programming and operating instructions to implement the Error Correction. In the event that a verifiable and reproducible Error is not fixed temporarily and in a reasonable time period, permanently, and the Error adversely affects the Company in a material manner, the Company will have the option to provide notice to the Provider of a default.
  - b. Telephone/Modem Support. Provider shall maintain a telephone and modem support line, or DSL Internet connection, or T1 connection to the Internet during normal business hours (6:00am - 5:00pm PST Monday through Fridays, Saturdays and Sundays support will be offered on an emergency basis, with a four (4) hour response time window), excluding major national holidays, that permits The Company to report Errors in the Software and to receive assistance in cases of operator error. The Company agrees to provide and maintain a means for Provider to remotely access and maintain the Applications as installed on The Company's computers or networks. The current list of supported means of this access is available from Provider Software, but will include either a modem and dedicated modem telephone line, or an Internet connection of 128Kb, or faster, with a dedicated, static IP address. The Company agrees to provide and maintain an Internet connection of 128Kb, or faster, for accessing Software updates and information from the INET Portals, LLC web site. In order to serve The Company properly, Provider requires that the modem be located physically in the server, not in a workstation on The Company's network. Provider reserves the right to bill hourly (following The Company's approval) for maintenance in cases of repeated operator error, or where a single operator error results in extensive Provider time to resolve the problem.

- c. Changes in State and Federal Regulations. Provider will provide updates needed to conform to state and federal regulations, including changes to tax tables and routine forms, as changes become effective. Maintenance services under this Agreement do not include updates to conform to any changes in local governmental regulations.
- d. Routine Releases. Provider may, from time to time, issue routine Releases of the Software, containing Error Corrections and minor Enhancements. Installation of routine releases is provided at no charge to The Company if completed over the modem. Installation of routine releases and updates by Provider at the Company's site will be billed to the Company, upon Company's written approval, at the then current hourly rate except in cases where Provider is solely responsible for the inability to provide modem support.
- e. Discounts on Major Enhancement Releases. Provider may, from time to time, offer Major Enhancements to the Company, generally for an additional charge. To the extent Provider offers such Major Enhancements, it shall permit the Company to obtain one copy of each Major Enhancement for each copy of the Software or Application being serviced under this Agreement at the discount then specified by Provider.
- **Exceptions.** The following matters are not covered by, and are outside the scope of, this Support Services Agreement:
  - a. Onsite support services provided by employees or agents of Provider;
  - **b.** Training, file and data conversion costs, and consulting services (whether onsite or offsite);
  - c. Maintenance or support services resulting from any problem resulting from Company's deliberate misuse, alteration (including local reports written by the Company), or damage of the Software;
  - d. Support of operating systems; support of non-Provider software (including but not limited to spreadsheets, word processors, general office software, and report builders (including the Progress Report Builder);
  - e. Onsite installation and management services for Upgrades or Major Enhancements;
  - f. Providing Internal Controls and/or balancing the Company's books;
  - g. Any training, consulting, implementation management services, and data conversion services, required on an individual the Company basis for Upgrades or Major Enhancements (whether onsite or offsite);
  - h. Travel (including travel time) and living expenses for installation and training, or any other onsite support or services;

- New Product Release license and service fees.
- Cooperation of The Company. The Company agrees to notify Provider promptly following the discovery of any Error. Further, upon discovery of an Error, The Company agrees, if requested by Provider, to submit to Provider a listing of output and any other data that Provider may require in order to reproduce the Error and the operating conditions under which the Error occurred or was discovered. Provider shall treat any such data as confidential.
- Fees and Expenses. The Initial Term "Support Fees," as set forth on Attachment A. will be invoiced and payable as set forth on Attachment A, for Basic Support Services.
  - a. Fees for Excluded Items. The Company agrees to pay fees for those items or services excluded from Support Services pursuant to Section 4, within 30 days from receipt of the invoice, provided, however, that no such additional fees or costs will be invoiced to The Company without The Company's prior written approval of the fees, costs, and related work. Provider shall provide supporting documentation for all expenses upon The Company's request. Provider reserves the right to require prepayment or advance deposit for such additional charges or expenses in some instances. The Company is also responsible for sales or use taxes and state or local property or excise taxes associated with licensing, possession, or use of the Services, Software or any associated services. All fees paid hereunder are nonrefundable and will be forfeited in the event of termination or cancellation except as otherwise specifically provided herein. Provider shall send all invoices to accountspayable@americanlaser.com.
- 7. Work Orders. The Company may from time to time request from Provider services, such as Software modifications or additional training. Provider shall make a reasonable and good faith effort to comply with such requests but shall retain sole discretion to decide whether such services are provided. The Company shall receive from Provider in advance an estimate of the cost of requested services. Provider shall receive for all approved The Company requests a signed work order from the Company and a deposit equal to fifty percent (50%) of the estimated cost of the service.
- 8. Billing. Provider shall send all invoices to accountspayable@americanlaser.com. All invoices from Provider to the Company for Excluded Items are due within 30 days from receipt of the invoice. All invoices from Provider to the Company for Basic Support Services are due on the 1<sup>st</sup> of each month for that month's service. Invoices are past due ten (10) days after the date of the invoice. Provider may, at its option, charge all invoices remaining due more than 30 days past the invoice date for Excluded Items and more than 10 days past the invoice date for Basic Support Services an interest at a rate of one and one-half percent (1½%) per month (eighteen percent (18%) per annum) or, if less, the highest rate allowed by applicable law from the date such fee or charge first became past due. Invoices are delinquent sixty (60) days after the date of invoice. A delinquent invoice may cause Provider, at its option,

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to put the Company's account on hold, or, subject to the terms of Section 2, terminate this Agreement. Accounts on hold may receive no product, service, or support from Provider (including without limitation Basic Support Services) until all past due and delinquent invoices are paid in full. Once an account is placed on hold for non-payment, Provider shall not be required to provide Basic Support Services, or other products or services, hereunder until a "Reconnection Fee" equal to twentyfive percent (25%) of the current Term's annual Fee that is paid by the Company.

- Error Corrections, Enhancements, Upgrades and New Use and Restrictions. Product Releases (and any other programming provided by Provider, regardless of its form or purpose) shall be considered part of the Software for purposes of determining the parties' rights and obligations related thereto pursuant to the License Agreement and this Agreement. Provider shall have sole and exclusive ownership of all right, title and interest in and to such works (including ownership of all copyrights, trade secret rights and other intellectual property rights pertaining thereto), subject to the terms and conditions of the License Agreement. Provider shall not have ownership of works, copyrights, trade secrets and other intellectual property (that was developed by ALSC) already in existence within Company prior to the effective date of this Agreement.
- 10. Limited Remedy and Liability; Exclusion of Consequential Damages. cumulative liability of Provider to the Company for all claims relating to any services rendered hereunder, in contract, tort, or otherwise, shall not exceed the total amount of the Maintenance Fees paid by the Company to Provider pursuant to this Agreement during the twelve (12) months prior to the claim. In no event shall Provider be liable to the Company for any consequential, indirect, special, or incidental damages (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or other pecuniary loss), even if Provider has been advised of the possibility of such potential loss or damage. The foregoing limitation of liability and exclusion of certain damages shall apply regardless of the success or effectiveness of other remedies, and shall apply to all claims under the warranty described in Section 11. Provider's liability for breach of warranty exists only during the warranty period set forth in Section 11.
- 11. Limited Warranty and Exclusions. PROVIDER WARRANTS THAT IT WILL RENDER ITS SERVICES HEREUNDER IN A GOOD AND WORKMANLIKE MANNER AND WITHOUT MATERIAL DEFECT AND THAT DURING THE TERM OF THIS AGREEMENT AND FOR A PERIOD OF SIX (6) MONTHS THEREAFTER PROVIDER, AT PROVIDER'S SOLE COST, SHALL CORRECT ANY FAILURE TO RENDER ITS SERVICES HEREUNDER IN A GOOD AND WORKMANLIKE MANNER AND WITHOUT MATERIAL DEFECT. ANY CLAIM BASED ON THE FOREGOING WARRANTY MUST BE SUBMITTED IN WRITING TO PROVIDER SPECIFYING THE FAILURE IN REASONABLE DETAIL, AND SHALL BE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF SECTION 2. THE COMPANY AGREES THAT THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF PROVIDER AND PROVIDER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO. ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS OR

- ADEQUACY FOR ANY PARTICULAR PURPOSE OR USE, QUALITY OR PRODUCTIVENESS, COMPATIBILITY, DESIRED RESULTS, CAPACITY, OR THAT SERVICES RENDERED HEREUNDER WILL BE ERROR-FREE.
- 12. Venue; Governing Law. Governing law and exclusive venue for any dispute between the parties arising out of or relating to this Agreement shall be as determined pursuant to the License Agreement.
- 13. Entire Agreement; Construction; Provider and The Representations. This Agreement is the complete and exclusive statement of the agreement between Provider and the Company and supersedes all prior and contemporaneous negotiations, discussions, proposals and understandings, oral, written or implied, including those involving any agent of either party, relating to the subject matter herein. No representations or statements made by either party or either party's agents not expressly set forth or referenced in the Agreement shall be binding on either party. Rights, obligations and warranties under this Agreement extend to the Company and Provider only, and no other person shall be considered a third-party beneficiary of this Agreement or be otherwise entitled to any rights or remedies under this Agreement. No provision of this Agreement shall be construed in favor of or against any party because one party or its professional advisors participated in the preparation of this Agreement. In the event of a conflict between the Attachments and the main body of this Agreement, the main body of this Agreement shall control.
- 14. Modification; No Waiver. The terms of this Agreement may only be modified, expanded or added to by a written agreement executed by the parties. No oral communication between the parties or their agents before or after execution of this Agreement shall be binding upon either party unless the parties expressly agree in writing to the terms of such communication. No waiver by either party of any breach of any term or condition hereof shall be effective or enforceable unless made in writing signed by the party, and no waiver shall be interpreted as a continuing waiver or a waiver of any future obligation.

### 15. Definitions.

- a. Terms Defined in License Agreement. The following terms have that meaning assigned to them pursuant to the License Agreement executed by the parties in conjunction with this Agreement (the "License Agreement"): "Applications;" and "User Materials."
- b. "Cure" as applied to a Software or Application Error shall include the provision of alternate, but functionally equivalent and no less effective or efficient, functions or means.
- c. "Enhancement" means a modification or addition that, when made or added to the Software, materially changes its utility, efficiency, functional capability, or application, but that does not constitute solely an Error Correction, and does not constitute a New Product Release. Provider may designate Enhancements as "Major Enhancements" or simply as "Enhancements."

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depending on Provider's assessment of their value and of the function added to the Software or Application. "Major Enhancement" may be a substantial rewrite of an Application, similar to a New Product Release and requiring those Enhancements to be packaged as a separate module.

- d. "Error" as applied to the Software or an Application means a reproducible failure to perform in accordance with the Specifications in some Material respect attributable to a defect in the Software or Application or to an act or omission of Licensor.
- e. "Error Correction" means either a modification or addition that, when made or added to the Software, brings the Software into Material conformity with its published specifications, or a procedure or routine that, when observed in the regular operation of the Software, avoids the practical adverse effect of such nonconformity.
- f. "Material" as applied to the Software or an Application, shall mean a significant or substantial alteration or effect on the function or output thereof.
- g. "New Product Release" means either the total rewrite of an Application or new version(s) of the Software (including, without limitation, offering of an Application in a new language), the offering of new suites of Applications or databases, generally packaged as a separate module, and which may incorporate Error Corrections and/or Enhancements. A New Product Release shall be distinguished from an Enhancement by Provider's determination, based on Provider's assessment of the New Product's value and of the function added to the Software or an Application.
- h. "Software" at times also referred to as the "System," means the version of the INET Portals software packages, applications and interfaces selected by Licensee, listed on Attachment A (each an "Application"), current at the time of signing this Agreement.
- i. "Temporary Fix" means an initial correction or "fix" to a problem in the Software prior to the release of an Error Correction.
- j. "Upgrade" has substantially the same meaning as "Enhancement."

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in duplicate by its duly authorized officer or representative.

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**INET Portals, LLC** 

<u>COMPANY</u>

(Company)

American Laser SkinGare

(signature of authorized representative)

Name: Graham Budd

Title: President/CEO

Date: 10 11 11

Name. John Pryor

Title: CEO

Date: 10/11/2011

Name Rhythm Manani Title: General Counsel

Date:

10/11/2011

## ATTACHMENT A: SCHEDULE OF FEES

The monthly service fees for Company's 156 (one hundred fifty six) locations, 5 pack multilocation users, and current ALSC intranet hosting will be paid on the first day of every month in the amount of \$25,500 beginning on contract agreement date. First monthly service fee may be pro-rated based on contract agreement date.

# INET PORTALS LICENSE AND SERVICES AGREEMENT

This License and Services Agreement (the "Agreement") is made and entered into by and between:

INET Portals, LLC dba (INET Portals):

Address:

1420 Marvin Rd NE. Ste. C PMB #238 Lacey, Washington 98516-3878

Phone: (800) 509-8315

Fax: (360) 455-1075

American Laser SkinCare (Company)

Address:

24555 Hallwood Court Farmington Hills, MI, 48335

Phone: 248-426-8250

Fax:

John Pryor

johnapryor@aol.com

WHEREAS, INET Portals is an application service provider of web-based business scheduling, and accounting services; and

WHEREAS, Company desires to access and utilize the services as described below (the "Services").

NOW, THEREFORE, in consideration of the covenants, promises and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, INET Portals and Company agree as follows:

- INET Portals will make the Services available to Company, for its internal use only, on the terms and conditions set forth in this Agreement, which Agreement shall incorporate by this reference and be governed by the Standard Terms and Conditions attached hereto as <a href="Exhibit A">Exhibit A</a>.
- The Services shall consist of providing access to the following INET Portals web-based applications (the "Applications"):

## INET Portals Custom Software Environment Edition;

In addition, INET Portals will provide related Support Services and Additional Services, as further described in the attached Standard Terms and Conditions attached and made part of this Agreement.

Support to include:

- 1. 1: two (2) -one and one half hour complementary webinar training session. Additional sessions may be purchased at \$100/hour. Divided sessions are tracked in 30-minute increments. Training will be conducted based on contract agreement and payment receival as set forth below (5.a, 5.c).
- 2. Unlimited access to our toll-free support line from Monday to Friday from 6am-5pm PST for technical issues, support is offered on Saturdays and Sunday on a emergency basis, with a 4 (four) hour response window. The INET Portals Support Center is closed Christmas Day, New Years Day, Thanksgiving, Memorial Day and Labor Day. 30 days FREE unlimited phone support post contract agreement date.
- 3. Secure hosting, application storage and data back-up.
- The Effective Date of this Agreement is: 10/5/11.
- The Initial Term of this Agreement is One (1) year (365 days) and will automatically renew on an annual basis unless 30 day prior written notice is given for cancellation of renewal.
- 5 The Fees payable for the Services shall be as follows:

- a. <u>Subscription</u>: InetPortals <u>Custom Environment Edition</u> enables Company to use INET Portals <u>Custom Environment Edition</u> in all Company locations. Initial purchase includes subscription(s) for <u>156</u> (one hundred fifty six) location(s).
- b. Additional Service Fee(s):

\$3,900/month; 13 Multi Location system user packs.

\$1,500/month; Intranet application hosting fee.

c. Monthly Service Fee(s): \$23,400 (\$\frac{150.00}{250.00} \times 153 (one hundred fifty six) location(s))
\$1,500 (5 Pack Multi-Location User Licenses)
\$600 (ALSC Intranet Application Hosting) \*\*Existing ALSC Intranet Application

The monthly service fee(s) of \$25,500 for Company's (156) location(s) and 5 pack multi-location user licenses (10 user acess licenses per pack) is to be paid upon signing and receival of Company's contract agreement. Your first monthly service fee invoice may be pro-rated.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement, which shall be effective as of the date set forth above, and agree to the terms and conditions set forth in the Agreement, including without limitation the terms set forth in the Standard Terms and Conditions attached hereto:

**INET Portals, LLC** 

(signature of authorized representative)

Name: Graham Budd

Title: President/CEO

Date: 10/5/11

(Company)

American Laser Skin Care

(signature of authorized representative)
Name: John Prvor

Title: CEO

Date: 10/5/11

KLYTHM MANANI

10/11/2011

## INET PORTALS STANDARD TERMS AND CONDITIONS FOR SERVICES

These Standard Terms and Conditions are incorporated into and constitute a material part of the License and Services Agreement (together hereinafter referred to as the "Agreement") between INET Portals dba ("INET Portals") and the company identified on the signature page of the Agreement (the "Company"). INET Portals and Company hereby agrees as follows:

#### 1. Definitions

Whenever used in this Agreement with initial letters capitalized, the following terms will have the following meanings:

"Additional Services" means any additional services to be performed by INET Portals for Company pursuant to Section 4 of this Agreement relating to the System and the Applications, including without limitation customization, implementation, and additional support or training services.

"Applications" means the INET Portals web-based applications hosted by INET Portals and provided to Company as part of the Services under this Agreement, which are listed on the cover page of this Agreement: as such Applications may from time to time be modified by INET Portals.

"Authorized User" means any principal, officer, employee, agent, independent contractor or consultant of Company who has a need to use the Services in connection with their duties for Company and who is authorized or otherwise designated or permitted by Company to access and use the Services pursuant to this Agreement.

"Company Content" means all data or content of or concerning Company or its patient/customers that is posted or otherwise placed on the System by Company.

"Company Support Coordinators" means the one or two Company employees who are designated in writing by Company at any one time to coordinate requests for Support Services and to whom the Support Services will be provided by INET Portals.

"Confidential Information" means any nonpublic information that is confidential to the discloser, or that the discloser is obligated by law or agreement to keep confidential. and that is conspicuously marked or otherwise identified as confidential or proprietary or that the recipient otherwise knows or has reason to know is the Confidential Information of the discloser. The Company Content shall be deemed the Confidential Information of Company and the INET Portals Technology shall be deemed the Confidential Information of INET Portals. Confidential Information shall also include. without limitation, non-public information which relates to a discloser's research, development, products, services, pricing, customers, contractors, marketing plans, finances, contracts, legal affairs and business affairs. However, notwithstanding anything herein to the contrary. Confidential Information does not include any information that: (a) was known to the recipient prior to receiving the same from the discloser in connection with this Agreement: (b) is independently developed by the recipient; (c) is acquired by the recipient from another source without restriction as to use or disclosure: or (d) is or becomes publicly available through no fault or action of the recipient.

"Documentation" means the user manuals, online documentation and other materials relating to the Services provided by INET Portals to Company, as such Documentation may from time to time be modified by INET Portals.

"Initial Term" means the initial term of the Agreement as specified on the cover page of the Agreement.

"INET Portals Site" means the INET Portals Web site, currently located at www.inetportals.com, through which the Services are accessed.

"INET Portals Technology" means the Applications. Documentation and any know-how, processes, methodologies, specifications, designs, inventions, concepts, ideas, functionality, graphics, techniques, methods, computer programs, computer code, user manuals, online documentation, products or other technology or materials of any kind created or owned by INET Portals, together with any enhancements or modifications thereto, that is used by INET Portals in connection with the performance of the Services or made available by INET Portals to Company in connection with the Services.

"Renewal Term" means any term for which the Agreement is renewed pursuant to Section 7. Renewal pricing is subject to change based on inflation.

"Services" means providing online access to the Applications through the INET Portals Site, together with the Support Services and any Additional Services.

"System" means the INET Portals software and hardware, including the Applications, used to provide the Services under this Agreement.

"System Requirements" means the minimum system and other requirements required for access to and use of the INET Portals Services specified in the System Requirements attached as *Exhibit A*, as may be altered or amended from time to time by INET Portals.

"Support Services" means the support and training services relating the Services as described in Section 4 of this Agreement.

"Term" Term shall mean the Initial Term of the Agreement plus any Renewal Terms.

"User Identification" means the unique user identification name and password issued or otherwise assigned to each Authorized User for access to and use of the INET Portals Services.

"User Materials" means all written and electronic documentation, manuals and materials provided by INET Portals to Company for use in connection with the Software.

#### 2. Services; Restrictions on Use

2.1 Services. Subject to the terms, conditions and limitations set forth in this Agreement, INET Portals will make the Services available to Authorized Users of Company and hereby grants Company a nonexclusive license to access and use the Applications and the Services during the Term of this Agreement, solely for the Company's internal use in the regular course of its business. The foregoing license permits Company to upload.

publish and otherwise electronically transmit data to the System and to download, display, print out, store, manipulate and distribute data and Company Content using the Applications and the System.

General Restrictions and Limitations. Section 2.1 sets forth the entirety of Company's right to access and use the Services and to make the Services available to Authorized Users. Company's right to use the Services does not include the right to, and Company will not directly or indirectly, (a) permit or enable any person or entity other than Authorized Users to access and use the Services: (b) modify or create any derivative work based upon any INET Portals Technology; (c) reself, rent, transfer, assign, or sublicense the Services: (e) reverse engineer, disassemble or decompile all or any portion of, or attempt to discover or recreate the source code for, any software that is part of the INET Portals Technology: (t) remove, obscure or alter any proprietary rights notice related to the INET Portals Technology or the INET Portals Services: (g) engage in or permit any infringing or unlawful activities involving the INET Portals Services or the INET Portals Technology: or (h) engage in or permit any use, reproduction. distribution, disposition, possession, disclosure or other activity involving the Services or the INET Portals Technology that is not expressly authorized under the Agreement or otherwise in writing by INET Portals. Company will ensure that all access to and use of the INET Portals Services by Company or Authorized Users, or otherwise through Company's facilities, equipment, identifiers or passwords, will conform to this Agreement and will be made and used solely for proper and legal purposes, and will be conducted in a manner that does not violate any law or regulation, the rights of any third party, court orders or INET Portals's policies.

#### 3. Access to the INET Portals Services

- 3.1 Equipment, Services and Facilities. The System and the Applications will be hosted and maintained by INET Portals and accessed by Company through the INET Portals Site. Company is solely responsible for providing, installing and maintaining, at its own expense, all equipment, facilities and services necessary for Company to access and use the INET Portals Services, including, without limitation, all computer hardware and software, modems, printers, telephone service and Internet access as set forth in the System Requirements.
- Password. INET Portals will issue each Authorized User a User Identification to access and use the INET Portals Services. To access and use the INET Portals Services. Company is solely responsible for tracking the User Identifications to specific Authorized Users and for ensuring the security and confidentiality of all User Identifications and of the information accessed or provided using such User Identifications. Company acknowledges that it is fully responsible for all liabilities incurred through the use or misuse of any User Identification and INET Portals shall not be liable for the results of any use or misuse of such User Identification or for the actions of any Authorized User. Company will take reasonable efforts to prevent unauthorized use of the Services and will immediately notify INET Portals of any unauthorized use of the Services or any User Identification or any other breach of security known to it. Use of any User Identification other than as provided in this Agreement will be considered a breach of this Agreement by Company.
- 3.3 Suspension of Services. In the event Company breaches of any of the warranties set forth in Section 9 or elsewhere in the Agreement, fails to pay any amount under the

Agreement when due, or is otherwise in material breach of this Agreement, then in addition to any other remedies available at law or in equity. INET Portals will have the right, in its sole reasonable discretion, to immediately suspend the INET Portals Services. In the event that this Agreement is suspended, Company will be charged a Reconnection Fee pursuant this paragraph. If service is suspended, INET Portals shall be relieved of any obligation to provide product. Services, or support to Company until all past due and delinquent invoices are paid in full. Once an account is suspended for non-payment, INET Portals shall not be required to provide Services, or other products or services, hereunder until a "Reconnection Fee" equal to twenty-five percent (25%) of the current Term's annualized monthly Service Fee is paid by Company.

### 4. Support and Training; Additional Services

- Help Desk. During the Term, INET Portals will provide periodic telephone and e-mail support to the Company Support Coordinators relating to the use and operation of the INET Portals Services (other than problems with Company hardware, Internet or online access, operating system software or other Company software). Such support will be provided only during INET Portals's normal business hours, which currently are Monday through Friday from 7 a.m. to 6 p.m., Pacific Time. excluding holidays observed by INET Portals. INET Portals will use commercially reasonable efforts to promptly respond to Company support requests. However, except as expressly provided herein or in a separate support agreement. INET Portals assumes no responsibility or liability for failure to respond to support requests within a certain timeframe or to resolve any problem or defect in the Services. Support Services as describe herein shall be provided solely to Company's designated Company Support Coordinators. Company may change its designated Company Support Coordinators at any time upon written notice to INET Portals.
- 4.2 Training. INET Portals will provide training via the Internet or at Company's facilities, at the discretion of INET Portals. INET Portals will be reimbursed for all travet and other expenses incurred in connection with providing training at the Company's facilities.
- 4.3 Additional Services. In the event the parties agree upon any Additional Services to be performed by INET Portals, including without limitation any customizations of the Applications or any training and support services beyond such amounts or in addition to such services specified in paragraphs 4.1 and 4.2, such Additional Services shall be performed on a time and materials basis at INET Portals's standard hourly rates.

#### 5. Compensation

5.1 Amount. Company will pay INET Portals for the Services in accordance with the fees, charges, reimbursable expenses and other amounts specified on the cover page in these Terms and Conditions. The Initial Term "Service Fees", which is based upon the number of Company locations, as set forth on the Agreement, will be invoiced and payable as set in paragraph 5.3. The Service Fees for each Renewal Term will be invoiced approximately ninety (90) days in advance of the commencement of each Renewal Term, but in any event payable upon commencement of the Renewal Term. Service Fees may be modified by INET Portals for Renewal Term, provided that INET Portals shall inform Company in writing as to any such proposed increase not less than sixty (60) days prior to the commencement

of the Renewal Term. If signed contract is for an "INET Portals Custom Environment", after 12 months (365 days) billing will be based on User Access Licenses or standard monthly service fees (whichever is greater).

- **5.2** Additional Fees. Company will pay INET Portals such additional fees, charges, reimbursable expenses and other amounts as may be specified in any Services Addendum in accordance with the payment terms specified therein.
- 5.3 Payment. Unless otherwise specified in writing, the Set-Up Fee and the Training Fees, together with the first payment of the Monthly Fee will be payable upon the execution of this Agreement. Thereafter, the Monthly Fee shall be payable in advance on the first day of each calendar month. Any amount not paid within 10 days of the due date will be subject to finance charges equal to one and one-half percent (1.5%) per month or the highest rate permitted by applicable usury law, whichever is tess, determined and compounded daily from the date due until the date paid.
- 5.3 Taxes. Unless otherwise specified in writing, fees, charges, reimbursable expenses and other amounts payable to INET Portals under this Agreement do not include any taxes, customs, duties, fees or other amounts assessed or imposed by any governmental authority other than taxes imposed on INET Portals's net income. Company will pay or reimburse INET Portals for all such amounts upon demand or provide certificates or other evidence of exemption.

#### 6. Proprietary Rights

- 6.1 Ownership. The Company acknowledges and understands that the Services, the INET Portals Technology, the INET Portals Site and any revisions, corrections, modifications. customizations, improvements, upgrades, new releases or other change thereto are the valuable proprietary rights of INET Portals. The Company acknowledges that it obtains only the right to use the Services under this Agreement. The Company shall not (i) assign, sublicense, transfer, pledge or grant a security interest in, lease, rent or share Company's rights under this Agreement with any third party; (ii) reverse assemble, reverse compile, cross compile or otherwise adopt, translate or modify the Software; or (iii) refer to or use any portion of the Software or User Materials as part of any effort to develop any derivative work or other software program. This agreement shall be binding on Company's heirs, successors and assigns.
- 6.2 Company Content. As between the parties. Company will own all right, title and interest in all Company Content. Company grants to INET Portals and its all'lliates a nonexclusive, nontransferable right to use reproduce, distribute, modify (for formatting purposes), display and store (digitally or otherwise) the Company Content in connection with the performance of the INET Portals Services. Company will comply with all applicable laws, rules and regulations in connection with the use and posting of the Company Content (including, without limitation, any pertaining to privacy).
- 6.3 Confidential Information. Each party reserves any and all right, title and interest (including, without limitation, any proprietary rights) that it may have in or to any Confidential Information that it may disclose to the other party, or of which the other party may become aware, under this Agreement. The recipient will protect Confidential Information of the Discloser against any unauthorized use or disclosure to the same extent that

the recipient protects its own Confidential Information of a similar nature against unauthorized use or disclosure, but in no event will use less than a reasonable standard of care to protect such Confidential Information. The recipient will not use or disclose any Confidential Information of the discloser except for the purposes for which it is provided by the discloser. This paragraph will not be interpreted or construed to prohibit: (a) any use or disclosure which is necessary or appropriate in connection with the recipiem's performance of its obligations or exercise of its rights under this Agreement or any other agreement between the parties; (b) any use or disclosure required by applicable law (e.g., pursuant to applicable securities laws or legal process), provided that the recipient uses reasonable efforts to give the discloser reasonable advance notice thereof (e.g., so as to afford the discloser an opportunity to intervene and seek an order or other appropriate relief for the protection of its Confidential Information from any unauthorized use or disclosure); or (c) any use or disclosure made with the consent of the discloser. In the event of any breach or threatened breach by the Recipient of its obligations under this paragraph, the Discloser will be entitled to injunctive and other equitable relief to enforce such obligations.

#### 7. Term and Termination

- 7.1 Term. The Term of this Agreement will commence as of the Effective Date of this Agreement and will continue for the Initial Term set forth on the cover page of this Agreement and for any Renewal Terms, as set forth below, unless earlier terminated as set forth herein. Thereafter, the Term will automatically renew for successive Renewal Terms of one (1) year, unless either party gives written notice of non-renewal at least thirty days prior to the end of the previous term. At any point the Company may voluntarily terminate this one (1) year contract if Company gives thirty (30) days notice to INET Portals. If Company elects to terminate prior to the one (1) year contract term, and there is no breach of contract on the part of INET Portals, a payment penalty is accrued by the Company to equal three (3) months of the Company support fee, as set forth in Exhibit A, to be invoiced and paid in full beginning on the 1st day of the month succeeding the termination notice. Pending breach of contract by Provider, and thirty (30) days termination notice to INET Portals by Company. no payment penalty shall be accrued by Company for termination prior to the one (1) year contract term.
- 7.2 Termination for Material Breach. If either party commits a material breach of this Agreement, then the other party may give the breaching party written notice of such breach or default and the then-current Term will terminate pursuant to this paragraph if the breach or default is not cured within thirty (30) days after receipt of notice, without any further notice or action by the terminating party.
- 7.3 Effect of Termination. If the Term is terminated pursuant to and in accordance with this Section 7, then, unless otherwise specifically provided for in writing by the parties, the following will apply: (a) the parties will cooperate to effect an orderly, efficient, effective and expeditious termination of the party's respective activities under this Agreement: (b) the rights granted to Company with respect to the Services and the INET Portals Technology will terminate effective as of the effective date of the termination; (c) Company will return to INET Portals any and all Confidential Information of INET Portals in the possession

or control of Company: (d) INET Portals will return to Company any and all Confidential Information of Company in its possession or control: (e) Company data can be exported as set forth in section 2.1. by Company using the internal software application Demographic Reporting tool, and or any printing/exporting tool within the software application: (excel./ doc.) at no cost. Customized data export can be provided by INET Portals at the cost of current Provider development rates. Custom exports encompass anything outside of what can be exported from available tools within the software application, including custom formatting on the report. Data export on the part of Company and or INET Portals will coincide with the Company thirty (30) day termination notice. (f) INET Portals will retain company data base, including all electronic records, for 7 years, in accordance to HIPPA online retention record protocols.

(g) unless otherwise agreed upon by the parties, INET Portals will have no obligation to provide the Services to Company or Authorized Users after the effective date of the termination: (h) Company will pay to INET Portals any amounts payable for Company's and Authorized User's use of the Services prior to the effective date of the termination; (i) any and all liabilities accrued prior to the effective date of the termination will survive; and (j) the parties' respective rights and obligations under paragraphs 2.2, and 2.3, and Sections 6, 7, 8, 9, 10 and 11 of this Agreement will survive.

## 8. INET Portals Representations and Warranties, Limited Remedies

- 8.1 Functionality. INET Portals warrants companying that the Services will, when properly accessed and utilized by Company, performing substantially in accordance with specifications set forth in the then current Documentation. INET Portals will use commercially reasonable efforts to repair or replace the deficient Services so that it complies with the applicable warranty. If the deficient Service cannot be repaired or replaced, then INET Portals will refund to Company such portion of the applicable fees Monthly Fees paid by Company that are attributable to the deficient Service. Company acknowledges that the operation of the Services will not be uninterrupted and that there will be periods of unavailability of the Services, such as during routine maintenance. The foregoing is Company's sole and exclusive remedy for any failure of the Services to perform as warranted herein.
- 8.2 Infringement. INET Portals warrants to Company that its use of the Services will not infringe upon or violate any U.S. proprietary rights of any third party. INET Portals shall defend, indemnify and hold Company harmless from and against any claims or liabilities arising out of any failure of the INET Portals Services to comply with the warranty set forth in this paragraph 8.1; provided, that Company gives INET Portals prompt written notice of the claim, authorizes INET Portals to control the defense and settlement of the claim as INET Portals may reasonably request, does not settle or compromise the claim without the prior written consent of INET Portals and complies with any settlement or court order made in connection with the claim.
- 8.3 Exclusions. INET Portals's warranty under paragraphs 8.1 and 8.2 does not apply to any defect, nonconformance or infringement resulting from any (a) improper use of the Services or any use not in accordance with the Agreement: (b) modification, redevelopment, damage, misuse or

other action or omission of Company or any third party; (c) use of the Services in combination with any equipment, software, goods, services or items provided by Company or any third party; or (d) any failure of Company to comply with any terms of the Agreement.

- 8.4 DISCLAIMER. THE WARRANTY REMEDIES SET FORTH IN THIS SECTION 8 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF INET PORTALS AND REMEDIES OF COMPANY, ARISING BY LAW OR EXPRESS OR IMPLIED. OTHERWISE, WITH RESPECT TO ANY ERROR. OMMISSION, DEFICIENCY, DEFECT, NONCOMPLIANCE OR INFRINGEMENT IN THE APPLICATIONS. THE SERVICES, THE INET PORTALS TECHNOLOGY, THE INET PORTALS SITE OR OTHER ITEMS OR SERVICES FURNISHED BY OR ON BEHALF OF INET PORTALS UNDER THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION. ANY IMPLIED WARRANTY MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT AND ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE. COURSE OF DEALING OR USAGE OF TRADE).
- 8.5 Third Party Content, Software and Materials. Except as otherwise agreed upon by the parties in writing, to the extent that the Applications or the Services contain or utilize any third party content, software or materials, INET Portals shall pass through any applicable warranties. However, INET Portals shall have no liability for any such third party arty content, software or materials.

#### 9. Company Warranties

- 9.1 Warranty. In addition to any warranties set forth elsewhere in the Agreement, Company warrants to INET Portals that the Company Content and Company's and Authorized Users' access to and use of the INET Portals Services will not violate any third party rights or any applicable laws, rules or regulations.
- 9.2 Indemnification. Company will defend, indemnify and hold harmless INET Portals, and its directors, officers, employees, owners and agents from and against any and all claims, costs, losses, damages, judgments and expenses (including reasonable attorneys' fees) arising out of or in connection with (a) any claim alleging any breach of any of the foregoing warranties or any other provision of this Agreement; (b) any damage arising from causes beyond the control or without the fault or negligence of INET Portals; (c) any use by Company or Authorized Users of the INET Portals Services, Third Party Content, or any other software, services or other items provided under this Agreement.

#### Section 10.

- 10.1 Force Majeure. Neither party will be liable for, or be considered to be in breach of or default under this Agreement on account of, any delay or failure to perform as required by this Agreement as a result of any cause or condition beyond such party's reasonable control (including, without limitation, any act or failure to act by the other party). This paragraph will not apply to any payment obligation of either party.
- 10.2 No Consequential Damages. NEITHER INET PORTALS NOR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, OWNERS, SUPPLIERS AND THE PROVIDERS OF THIRD PARTY CONTENT WILL BE LIABLE TO COMPANY OR ANY AUTHORIZED USERS, FOR ANY INDIRECT,

CONSEQUENTIAL. SPECIAL OR EXEMPLARY DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR ANY LOSS OF PROFIT. REVENUE, DATA, BUSINESS OR USE) EVEN IF INET PORTALS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, ARISING FROM OR RELATED TO ANY PROVISION OF THIS AGREEMENT, THE SERVICES. THE INET PORTALS TECHNOLOGY OR ANY SOFTWARE. SERVICES OR OTHER ITEMS PROVIDED IN CONNECTION THEREWITH. OR THE FAILURE OF INET PORTALS. TO PERFORM ITS OBLIGATIONS. REGARDLESS OF ANY NEGLIGENCE BY INET PORTALS.

10.3 Limitation of Liability. IN NO EVENT WILL THE AGGREGATE LIABILITY OF INET PORTALS WITH REGARD TO THE SERVICES, THE INET PORTALS TECHNOLOGY AND ANY SOFTWARE, SERVICES OR OTHER ITEMS PROVIDED OR FAILED TO BE PROVIDED UNDER THIS AGREEMENT EXCEED COMPENSATION PAID BY COMPANY TO INET PORTALS UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS PRECEDING THE ACCRUAL OF SUCH CLAIM. COMPANY'S RIGHT TO MONETARY DAMAGES UP TO THAT AMOUNT WILL BE IN LIEU OF ALL OTHER REMEDIES THAT COMPANY MAY HAVE AGAINST INET PORTALS OR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, OWNERS, AND SUPPLIERS.

#### Section 11. Miscellancous

- 11.1 Compliance with Laws. In performance of their respective obligations under this Agreement, each party will comply with all applicable laws, rules, regulations, orders and other requirements, now or hereafter in effect, of governmental authorities having jurisdiction.
- 11.2 Independent Contractors. Each party is an independent contractor and not a partner or agent of the other. This Agreement will not be interpreted or construed as creating or evidencing any partnership or agency between the parties or as imposing any partnership or agency obligations or liability upon either party. Further, neither party is authorized to, and will not, enter into or incur any agreement, contract, commitment, obligation or liability in the name of or otherwise on behalf of the other party.
- 11.3 Notices. Any notice or other communication under this Agreement given by either party to the other party will be deemed to be properly given if given in writing and delivered in person, sent via overnight courier or mailed via registered mail, properly addressed and stamped with the required postage, to the intended recipient at its address specified on the signature page of this Agreement. Notice will be effective upon receipt. Either party may from time to time change its address for purposes of this paragraph by giving the other party notice of the change in accordance with this paragraph.
- 41.4 Assignment. Neither party will assign this Agreement without the prior written consent of the other party; provided, however, either party may assign this Agreement without such consent to any subsidiary or parent company of such party or to any successor by way of any merger, consolidation or other corporate reorganization of such party or sale of all or substantially all of the assets of such party, provided that such subsidiary or parent company or successor assumes or is otherwise fully bound by all of the obligations of the assigning party under

- this Agreement. No assignment, with or without such consent, will relieve any party from its obligations under this Agreement. Subject to the foregoing, this Agreement will be fully binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.
- 11.5 Nonwaiver. The failure of either party to insist upon or enforce performance by the other party of any provision of this Agreement, or to exercise any right or remedy under this Agreement or otherwise by law, will not be construed as a waiver or relinquishment of such party's right to assert or rely upon the provision, right, or remedy in that or any other instance: rather the provision, right or remedy will be and remain in full force and effect.
- 11.6 Severability. This Agreement will be enforced to the fullest extent permitted by applicable law. If any provision of this Agreement is held to be invalid or unenforceable to any extent, then (a) such provision will be interpreted, construed and reformed to the extent reasonably required to render the same valid, enforceable and consistent with the original intent underlying such provision and (b) such invalidity or unenforceability will not affect any other provision of this Agreement.
- 11.7 Applicable Law; Jurisdiction and Venue. This Agreement will be interpreted, construed and enforced in all respects in accordance with the laws of the State of Washington, U.S.A., without reference to its choice of law principles to the contrary. Company hereby consents to the jurisdiction and venue of the state and federal courts located in Spokane County, State of Washington, U.S.A. with respect to any claim arising under or by reason of this Agreement. Company will not prosecute any action, suit, proceeding or claim arising under or by reason of this Agreement except in such courts.

#### **EXHIBIT A**

#### System Requirements

- l Desktop PC, Tablet PC (IE Windows/Mac) with a minimum of 2 GB RAM
- 2 Internet Explorer 6.0 or greater, Safari, Firefox
- 3 Java, Flash
- 4 Business Class Internet connection: cable modem/DSL or greater

# Inetportals, LLC Development Request & Quote Form inet portals

Company Vancy	American Laser SkinCare Centers
Requestor Name	John Pryor
E-mail & Phone	JohnaPryor@aol.com / (248) 426-8250
Date Requested	9/26/2011
Date Required	-

Please note all development is completed on an hourly basis at \$115.00 per hour. Once a signed quote is received an estimated completion date will be determined and sent to client. This request form is used to develop a quote, development requests are not started until a quote is approved and signed by client. Please note, 50% of amount proposed in quote is required before development project is started.

Devei	opment	Request
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#### Please be specific

Integration of E-Records Source Code: 60 Hrs ( $$115 \times 60 = $6900$ )

Integration of Reconciliation Lockdown: 15 Hrs ( $$115 \times 15 = $1725$ )

Client & Appointment Migration: 40 Hrs ( $$115 \times 40 = $4600$ )

Services and Products Migration: 8 Hrs ( $$115 \times 8 = $920$ )

Integration of ALSC Ticketing System: 40 Hrs ( $$115 \times 40 = $4600$ )

Invoices and Treatments Provided Migration: 40 Hrs. ( $$115 \times 40 = $4600$ )

ADS Financing Credit Approval API: 40 Hrs ( $$115 \times 40 = $4600$ )

\*\* Details of the above quote are attached

## To be completed by Development Team

Development Hrs	
Completed by	Graham Budd

#### **Notes**

Once the quote is agreed upon, an estimated ETA on completion will be provided to the client. Any modifications made during the development process requested by the client will be billed at an additional cost. If additional testing or modifications are required this will also be billed at an additional cost.

Please review this quote carefully. Once a signed quote is received an estimated completion date will be determined and sent to client. This quote is used to give client estimated cost for development, development requests are not given estimated completion date until a quote is approved, signed by client and sent to customdev@inetportals.com or fax to 360-455-1075.

Inetportals, LLC

1420 Marvin Road NE Ste C PMB 238

Lacey, WA 98516 (800) 509-8315

Fax: (360) 455-1075

## Inetportals, LLC Development Request & Quote Form inet portals



#### Quote Breakdown:

## Integration of E-Records Source Code: 60 hours

- 1. Migrate existing E-Records from ALSC Intranet to INETPortals E-Records system
  - a. Migrate E-Records database tables
  - b. Migrate Data
  - c. Integrate current ALSC E-Records system into INETPortals client details screen
  - d. Test application

## Integration of Reconciliation Lockdown: 15 hours

- 1. Add interface to allow users to enter transaction amounts (IE cash, credit, etc) at the end of the day during reconciliation.
- 2. Develop Report to view all locations reconciliation information to validate if reconciliation was completed.

### Client & Appointment Migration: 40 hours

1. Migrate all client and appointment information from current ALSC Intranet to INETPortals.

#### **Services And Products Migration: 8 hours**

1. Migrate all services and products information from current ALSC Intranet to INETPortals

#### Integration of ALSC Ticketing System: 40 hours

- 1. Migrate current ALSC Ticketing System into INETPortals
  - a. Create database tables
  - b. Migrate Current Data
  - c. Integrate current ticketing system into INETPortals
  - d. Test application

#### ADS Financing Credit Approval API: 40 hours

- 1. Design DHTML popup for ADS credit financing and approval
  - a. Create form interface for API
  - b. Develop SOAP action (send and receive) API to ADS
  - c. Create database table to store approval and denied requests
  - d. Create database table to store transactional data from approved financing (IE allowing clients to apply partial payment to invoices)
  - e. Add financing option to checkout process

### **Invoices and Treatments Provided Migration: 40 hours**

- 1. Migrate all client invoices and treatments purchased, serviced, and remaining to INETPortals
  - a. Design script to create client invoices in INETPortals using data from ALSC Intranet
  - b. Design script to import client treatments information into INETPortals TransServiceCount database table
  - c. Test imported information

## INET PORTALS LICENSE AND SERVICES AGREEMENT

This License and Services Agreement (the "Agreement") is made and entered into by and between:

INET Portals, LLC dba (INET Portals):

Address:

1420 Marvin Rd NE. Ste. C PMB #238

Lacey, Washington 98516-3878

Phone: (800) 509-8315 Fax: (360) 455-1075 American Laser SkinCare (Company)

Address:

24555 Hallwood Court Farmington Hills, MI, 48335

Phone: 248-426-8250

Fax:

John Pryor

johnapryor@aol.com

WHEREAS, INET Portals is an application service provider of web-based business scheduling, and accounting services; and

WHEREAS, Company desires to access and utilize the services as described below (the "Services").

NOW, THEREFORE, in consideration of the covenants, promises and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, INET Portals and Company agree as follows:

- INET Portals will make the Services available to Company, for its internal use only, on the terms and conditions set forth in this Agreement, which Agreement shall incorporate by this reference and be governed by the Standard Terms and Conditions attached hereto as Exhibit A.
- The Services shall consist of providing access to the following INET Portals web-based applications (the "Applications"):

## INET Portals Custom Software Environment Edition;

In addition, INET Portals will provide related Support Services and Additional Services, as further described in the attached Standard Terms and Conditions attached and made part of this Agreement.

Support to include:

- 1. 1: two (2) -one and one half hour complementary webinar training session. Additional sessions may be purchased at \$100/hour. Divided sessions are tracked in 30-minute increments. Training will be conducted based on contract agreement and payment receival as set forth below (5.a, 5.c).
- 2. Unlimited access to our toll-free support line from Monday to Friday from 6am-5pm PST for technical issues, support is offered on Saturdays and Sunday on a emergency basis, with a 4 (four) hour response window. The INET Portals Support Center is closed Christmas Day, New Years Day, Thanksgiving, Memorial Day and Labor Day. 30 days FREE unlimited phone support post contract agreement date.
- 3. Secure hosting, application storage and data back-up.
- The Effective Date of this Agreement is: 10/5/11. 10 | 11 | 11
- The Initial Term of this Agreement is One (1) year (365 days) and will automatically renew on an annual basis unless 30 day prior written notice is given for cancellation of renewal.
- 5 The Fees payable for the Services shall be as follows:

- a. <u>Subscription</u>: InetPortals <u>Custom Environment Edition</u> enables Company to use INET Portals <u>Custom Environment Edition</u> in all Company locations. Initial purchase includes subscription(s) for <u>156</u> (one hundred fifty six) location(s).
- b. Additional Service Fee(s):

\$3,900/month; 13 Multi Location system user packs. \$1,500/month; Intranet application hosting fee.

c. Monthly Service Fee(s): \$23,400 (\$\frac{150.00}{150.00} \times 155 (one hundred fifty six) location(s))
\$1,500 (5 Pack Multi-Location User Licenses)
\$600 (ALSC Intranet Application Hosting) \*\*Existing ALSC Intranet Application

The monthly service fee(s) of \$25,500 for Company's (156) location(s) and 5 pack multi-location user licenses (10 user acess licenses per pack) is to be paid upon signing and receival of Company's contract agreement. Your first monthly service fee invoice may be pro-rated.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement, which shall be effective as of the date set forth above, and agree to the terms and conditions set forth in the Agreement, including without limitation the terms set forth in the Standard Terms and Conditions attached hereto:

**INET Portals, LLC** 

(signature of authorized representative)

Name: Graham Budd

Title: President/CEO

Date: 10/5/11

10 11 11

(Company)

American Laser Skin Care

Name: John Pryor

Title: CEO

Date: 10/5/11

RHYTHM MANANI

10/11/2011

Company: BMC GROUP Date: 12/03/2010
Name: ULTIMATE ESCAPE Weight: 1.0
Add: 18750 LAKE DRIV State: MN
City: CHANHASSEN Zip: 55317

Refe: ULTIMATE ESCAPE

Ship Date: 03DEC10 ActUgt: 1.0 LB MAN System#: 462272/CAFE235; Account: S \*\*\*\*\*\*\*\*

Svcs: Standard overnight

ORIGIN ID: HHRA (302) 252-2900 RENEE KUESEL/DOCKET CONTROL CLERK USBC DISTRICT OF DELAWARE B24 MARKET STREET

WILMINGTON, DE 19801 UNITED STATES US

10 ULTIMATE ESCAPES CLAIMS BMC GROUP 18750 LAKE DRIVE EAST

CHANHASSEN , MN 55317

JAN 19 2012

BMC GROUP



Ref: ULTIMATE ESCAPES CLAIMS



Delivery Address Barcode

BILL SENDER

STANDARD OVERNIGHT

TRK#

4383 5325 ----

FedEx Returns

THU - 19 JAN A1 STANDARD OVERNIGHT

55317 MN-US MSP

