

Exhibit I

**Web Referral and Marketing Agreement
COVER SHEET**

Subject to the terms of this **WEB REFERRAL AND MARKETING AGREEMENT** (this "Agreement"), target.direct, a division of Target Corporation ("Target"), with offices at 33 South Sixth Street, Minneapolis, Minnesota 55402, agrees with the Web site Operator identified below to engage in the Internet referral, Marketing and hyper-linking arrangements described herein. This Agreement is comprised of and incorporates all of the following: this Cover Sheet, the "Terms and Conditions" consisting of five pages, and Exhibits A, B and C.

As used herein, "Operator" means: AMERICAN BLIND AND WALLPAPER FACTORY, Inc., a

<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Other:
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organized under the laws of the State of Delaware and having a principal place of business at:

909 N Sheldon Rd. Plymouth, Michigan 48176.

The parties' authorized representatives have entered into this Agreement as of August 25, 2003 (the "Effective Date").

OPERATOR

By: Robert C Flynn
 Its: CFO
 Title
Robert C. Flynn
 Printed Name

TARGET.DIRECT, a division of Target Corporation

By: Dale Nitschke
 Its: President, target.direct
 Title
Dale Nitschke
 Printed Name

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Definitions.

As used in this Agreement:

- (a) "Aggregate Information" means information gathered in the aggregate about visitors as a result of their use of the Branded Site, which does not reveal the identity of any individual visitor.
- (b) "Branded Site" means the World Wide Web ("Web") site developed and operated hereunder by Operator and made available to the public as more fully described in this Agreement.
- (c) "Customer" means an individual that has ordered any good or service through the Branded Site or the dedicated phone number established by Operator and Target for such orders.
- (d) "Customer Data" means personal information about Customers, including names, telephone numbers, postal addresses, e-mail addresses and telephone numbers, together with order information and any other information Operator collects about such Customers as a result of their use of the Branded Site or phone order.
- (e) "Non-Disclosure Agreement" means that certain Non-Disclosure Agreement executed by Operator and Target Corporation dated as of May 28, 2003.
- (f) "Operator Image" has the meaning set forth in Section 2(e).
- (g) "Operator Marks" has the meaning set forth in Section 8(b).
- (h) "Operator Site" means the main Operator-branded Web site currently operated under the home page URL of <http://www.decoratetoday.com> and any successor Web site thereto <http://decoratetoday/target.net>. For purposes of clarification, the Operator Site does not include any co-branded or private label Web sites operated by Operator.
- (i) "Products" means the products and services offered for sale by Operator on the Branded Site.
- (j) "Start Date" means the date that the Branded Site is fully operational in accordance with the terms of this Agreement and is available to the public.
- (k) "Target Image" has the meaning set forth in Section 2(a).
- (l) "Target Marks" has the meaning set forth in Section 8(a).
- (m) "Target Site" means the the Target family of web-sites, including but not limited to, the Target Web site operated under the home page URL of <http://www.target.com> and the Marshall Field's website operated under the home page URL of <http://www.fields.com>. Other sites in the Target family can be added to this Agreement at Target's sole discretion during the Term of this Agreement.
- (n) "User Information" means any information collected from or about visitors to the Branded Site as a result of their use of the Branded Site, including Customer Data and Aggregate Information.

2. Branded Site.

(a) *Description of Branded Site.* Operator shall, at its sole cost and expense, design and develop the Branded Site for the sole purpose of selling the Products to visitors of the Branded Site. Operator shall design and develop the Branded Site to be similar in design, format, operation and "look and feel" to the Operator Site (i.e., the Branded Site will appear to visitors as being a Web site owned and operated by Operator, and not Target); provided, however, that the Branded Site, subject to the terms and conditions of the license granted by Target hereunder, will include: (i) Target-branded graphical links to the Target

Site on the home page of the Branded Site, and any additional locations set forth on Exhibit A; (ii) additional Target branding, as mutually agreed by the parties; (iii) links to the Operator Site as set forth on Exhibit A or as otherwise mutually agreed by Target and Operator; and (iv) tracking (e.g., affiliate marketing) reasonably requested by Target. For graphical links (including any button, banner or the like), Operator shall use only graphical images exactly as provided by Target, or a graphical image file that has been expressly approved in writing by Target (either to be the "Target Image"). Operator shall not frame or otherwise alter the appearance of the Target Site in a visitor's Web browser software, shall not impede the functions of the Target Site, and shall not perform any actions or use any functions which could permit Operator to monitor the interactions of a visitor using the Target Site; provided, however, that Target hereby agrees that Operator shall not be so precluded to the extent that such monitoring is necessary for Operator to track visits and sales pursuant to the terms hereof.

(b) *Review and Launch.* At least five (5) business days prior to the planned public launch of the Branded Site, Operator shall provide Target with full access to the Branded Site on Operator's staging server for Target's review and approval. Operator shall not make the Branded Site available to the public unless Target grants its written consent, which consent shall not be unreasonably withheld. Subject to the foregoing, Operator shall use all reasonable efforts to ensure that the Branded Site is fully operational in accordance with the terms of this Agreement and is available to the public by September 7, 2003.

(c) *Service Levels.* Operator shall host the Branded Site subject to the service level criteria for the Branded Site set forth on Exhibit B. Operator shall be solely responsible for implementing sufficient procedures for maintaining a means for reconstruction of any lost data.

(d) *Prohibited Content.* Operator shall ensure that the Branded Site does not contain any content or material that: (i) is defamatory, offensive, obscene, harmful to minors or pornographic; (ii) promotes violence or hatred; (iii) includes any computer viruses, so-called Trojan horses, time bombs, cancelbots or other computer programming routines that have the effect of (whether by intent or not) damaging, detrimentally interfering with, surreptitiously intercepting or expropriating any system, data, or personal information; (iv) is materially false, misleading or inaccurate; or (v) is otherwise unlawful. Unless set forth in Exhibit A or otherwise agreed to by Target in writing, Operator shall not include on the Branded Site (1) any links to the Operator Site or third party site (except for links to installation services and paint dealers), (2) any advertising by or for the benefit of any third party or (3) any advertising or promotion for Operator or third party credit cards on the homepage of the Branded Site. Notwithstanding the foregoing, Target hereby agrees that Operator shall not be liable for and Target shall not have the right to terminate this Agreement as set forth in Section 11 hereof, to the extent that such prohibited content or material is placed onto the Branded Site by a third party. In such event, the parties hereto agree that Operator's sole obligation shall be to remove such prohibited content or material immediately upon notice of same.

(e) *Target Site Link.* Target shall include on the Target Site an Operator-branded graphical link to the Branded Site and may, at its option, include additional links to the Branded Site similar to those set forth on Exhibit A. For graphical links (including any button, banner or the like), Target shall use only graphical images exactly as provided by Operator, or a graphical image file

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has been expressly approved in writing by Operator (either to be the "Operator Image"). Links from the Target Site to the Branded Site may, at Target's option, launch a separate standard Web browser window for the visitor to use while viewing the Branded Site. Notwithstanding anything set forth on Exhibit B, and in addition to any other remedy Target may have, if the Branded Site becomes unavailable or otherwise fails to operate in any material respect, Target may, upon giving Operator notice thereof, disable or remove any links to the Branded Site until such failure or unavailability has been cured. Operator and Target shall notify the other party as soon as possible after said party becomes aware of any such unavailability or failure.

(f) *Promotion.* Joint or coordinated promotion of the Branded Site or other Marketing Programs, if any, including costs for such promotion, shall be by mutual agreement of the parties and will continue over the course of this Agreement. Examples of promotions that the parties agree to discuss are set forth on Exhibit A. Operator also agrees to send quarterly e-mails to Customers promoting and directing Customers to the Branded Site. Without limiting the foregoing, any e-mail or other direct promotion to Customers shall be subject to the mutual consent of the parties hereto.

3. Sale of Products.

(a) *Operation.* Operator is solely responsible for all aspects of operating the Branded Site, including the sale of Products.

(b) *Products.* Unless otherwise agreed by the parties, Operator shall ensure that the Products on the Branded Site include all of the same Operator-branded products and services offered by Operator through the Operator Site. Operator shall offer the Products on the Branded Site on terms and conditions (including the retail price of the Products and any shipping or other service fees) that are at least as favorable as those offered by Operator on any other Web site operated by Operator for itself or others, including the Operator Site.

(c) *Exclusivity.* During the term of this Agreement:

(i) Operator shall not enter into a co-branding, linking, merchandising or similar agreement with Wal-Mart Stores, Inc. or any of its affiliates; and (ii) Target shall not enter into a linking agreement with any other window treatments and/or wall covering Company.

(d) *Order Processing and Customer Service.* Operator is solely responsible for handling all orders, customer service, customer samples, customer returns, refunds and complaints in connection with the Branded Site and Operator Site. Operator is solely responsible for the collection and remittance of sales and other applicable taxes arising from the operation of, and orders made through, the Branded Site and Operator Site as required by law. Operator shall pay all costs associated with receiving and processing orders for Products ordered through the Branded Site and the Operator Site. In addition to the service criteria set forth in Exhibit B, Operator shall provide visitors to the Branded Site the same level of customer service as it provides to visitors of the Operator Site and Operator's best private label and Branded Web site customers, including by providing a dedicated e-mail address and toll-free number for customer service.

(e) *Billing.* Operator shall bill and collect payments from Customers in accordance with its standard billing and collection practices.

(f) *Identification.* To the extent necessary to accurately calculate the amounts due Target under this Agreement, Operator shall employ a mechanism to identify individual customers and to associate such

customers with their individual purchase histories (e.g., to track whether a customer is making a first-time purchase at the Branded Site, has made purchases on the Operator Site previously, etc.). The parties agree that Operator will not be able to track any online customer to Operator Site who has their cookies turned off.

4. Commissions.

(a) *Commissions and Billing Reports.* Operator shall pay commissions to Target and provide sales and usage reports in accordance with Exhibit C.

(b) *Late Payment.* Interest shall accrue on any delinquent amounts owed by Operator hereunder at the rate of one and one half percent (1.5%) per month, or the maximum rate permitted by applicable law, whichever is less.

5. Books and Records.

(a) Notwithstanding, and in addition to, any obligation to provide reports under this Agreement, Operator shall keep accurate books of account and records covering all transactions relating to this Agreement. Target or its designees shall have the right, no more than once per any 12 month period, during normal business hours and upon reasonable prior notice, to examine and audit such books of account and records and all other documents and material in Operator's possession or under its control with respect to the subject matter and terms of this Agreement.

(b) All such books of account and records shall be kept available for at least three years following the termination of this Agreement. Notwithstanding the foregoing, Operator shall continue to maintain and keep available the books of accounts and records relating to any post-termination payment obligations as long as such obligations exist and for three years thereafter.

(c) Receipt and acceptance by Target of any statement furnished by Operator or any payments paid hereunder shall not preclude Target from questioning the correctness of such statements or payments at any time. In the event any errors are disclosed, either through questioning or as the result of an audit, all erroneous statements shall be rectified and any underpayment shall be remitted to Target by Operator and any overpayment shall be remitted by Target to Operator within thirty (30) days.

(d) In the event that an audit reveals an underpayment by Operator, Operator shall, in addition to the payment and interest provided for above, reimburse Target for the reasonable costs and expenses of such audit if the underpayment is five per cent (5%) or more than the amount required to have been paid.

6. Data

(a) *User Information.* Operator shall provide to Target, in a manner mutually agreed upon by the parties, all User Information that Operator collects. Unless otherwise requested by Target, Operator shall provide Target the User Information and other data identified in Exhibit C. Operator shall ensure that it makes any necessary disclosures and obtains any necessary consents (including in any applicable privacy policy) so that Operator is permitted to provide Target such User Information and that Target is permitted to use and disclose such information as provided in this Agreement.

(b) *Use and Disclosure.* Target may use and disclose User Information in accordance with the Target online privacy policy posted on the Target Site in effect at the time such information is collected. Operator shall use Customer Data to promote, operate, maintain and enhance the Branded Site and shall use Aggregate

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information to enhance the Branded Site and Operator Site. Operator may also use User Information for its own business purposes (including solicitations or marketing on its own behalf), provided that Operator shall not share, sell, lend, lease or otherwise disclose any User Information to any third party.

(c) *Post-Termination.* After termination or expiration of this Agreement, all of the restrictions on Operator's use and disclosure of User Information set forth in Section 6(b) shall continue to apply to Operator.

7. Ownership.

Except for User Information, each party or their respective licensors retain all rights, title and interest in and to all of the information, content, data, designs, materials and all copyrights, patent rights, trademark rights and other proprietary rights thereto provided by it pursuant to this Agreement. Subject to the terms and conditions of this Agreement (including any restrictions), the parties shall jointly own all rights, title and interest in and to the User Information. Except as expressly provided herein, no other right or license with respect to any copyrights, patent rights, trademark rights or other proprietary rights is granted under this Agreement. All rights not expressly granted hereunder by a party are expressly reserved to such party and its licensors.

8. Trademarks and Logos.

(a) Target Materials.

(i) *License.* Subject to the terms and conditions of this Agreement, Target hereby grants to Operator, during the term of this Agreement, a limited, revocable, non-exclusive, non-transferable license, to use the Target names, logos and trademarks, including the Target Image (collectively, the "Target Marks"), together with creative materials provided by Target ("Target Creative"), on the Branded Site (including using the Target name in the domain name/URL of the Branded Site) and any other mutually agreed marketing materials (print or electronic) solely to the extent reasonably necessary to market and promote the Branded Site and the Target Site; provided, however, that any and all such use of the Target Marks and Target Creative by Operator shall be subject to Target's prior written consent in each instance. Any use of the Target Marks by Operator shall strictly comply with the graphic standards and depiction requirements of Target for the use of its marks, which Target may issue from time to time. Operator shall provide copies and/or access to any proposed materials that would contain the Target Marks and/or Target Creative.

(ii) *Quality Control.* Target may terminate the above license if, in its reasonable discretion, the use of the Target Marks tarnishes, blurs or dilutes the quality associated with Target, the Target Site or any other goods or services offered by Target or the associated goodwill, and such problem is not cured within ten days of notice of such problem. All use of the Target Marks and Target Creative shall accrue solely to the benefit of Target and/or its licensors.

(b) Operator Marks.

(i) *License.* Subject to the terms and conditions of this Agreement, Operator hereby grants to Target, during the term of this Agreement, a limited, revocable, non-exclusive, non-transferable license, not subject to sublicense, to use the Operator names, logos and trademarks, including the Operator Image, on the Target Site, other Target Web sites and any other mutually agreed marketing materials (print or electronic) to market and promote the Branded Site (the "Operator Marks"); provided, however, that any

and all such use of the Operator Marks by Target shall be subject to Operator's prior written consent in each instance. Any use of the Operator Marks by Target shall strictly comply with the graphic standards and depiction requirements of Operator for the use of its marks, which Operator may issue from time to time. Target shall provide copies and/or access to any proposed materials that would contain the Operator Marks.

(ii) *Quality Control.* Operator may terminate the above license if, in its reasonable discretion, the use of the Operator Marks tarnishes, blurs or dilutes the quality associated with Operator, the Operator Site or any other goods or services offered by Operator or the associated goodwill, and such problem is not cured within ten days of notice of such problem. All use of the Operator Marks shall accrue solely to the benefit of Operator.

(c) *Further Restrictions.* Except as expressly provided herein, no property, license, permission or interest of any kind in or to the use of any trademark, trade name, color combination, insignia or device owned or used by a party is or is intended to be given or transferred to or acquired by the other party by the execution, performance or nonperformance of this Agreement or any part thereof. Each party agrees that it shall in no way contest or deny the validity of, or the right or title of the other party in or to such trademark, trade name, color combination, insignia or device, by reason of this Agreement, and shall not encourage or assist others directly or indirectly to do so, during the lifetime of this Agreement and thereafter. In addition, neither party shall utilize any such trademark, trade name, color combination, insignia or device in any manner that would diminish its value or harm the reputation of the other party. Neither party hereto shall use the other party's Marks or Creative in any manner that would cause a reasonable person to infer that the parties hereto have an affiliation with each other than except for the limited contractual relationship established hereunder. Upon termination of this Agreement, any and all rights or privileges of each party to the use of the other party's trademark, trade name, color combination, insignia or device will cease.

9. Confidentiality.

The parties hereto have executed the Non-Disclosure Agreement. Each party hereby acknowledges and agrees that the Non-Disclosure Agreement is in full force and effect and shall apply to its dealings with each other pursuant to this Agreement. Neither party shall exercise its right under the Non-Disclosure Agreement to terminate the Non-Disclosure Agreement while this Agreement remains in effect. The Non-Disclosure Agreement shall not terminate upon termination of this Agreement and may only be terminated in accordance with its terms.

10. Warranties, Indemnities and Limitations of Liability.

(a) *Power and Authority.* Each party represents and warrants to the other that it has the power and authority to enter into and perform its obligations under this Agreement.

(b) *Compliance with Laws.* Operator represents and warrants to Target that Operator shall comply with all Applicable Laws in connection with the performance of its obligations under this Agreement, including the design, development, hosting and operation of the Branded Site, the sale and advertising of Products, the fulfillment of orders, and the collection and use of User Information. "Applicable Laws" means all national, federal, state and

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laws, rules and regulations, including but not limited to laws concerning consumer protection, consumer data privacy, trade practices or the rights of third parties, which apply to this Agreement and/or the services or products otherwise provided Operator.

(c) *Intellectual Property.* Operator represents and warrants, to the best of its knowledge that the Operator Marks, the Branded Site (including all content, materials and computer code, but excluding the Target Marks) and the Products (including the methods and processes for manufacturing the Products), and the use of each of the foregoing in its intended manner, shall not violate or infringe any patent, copyright, trademark, trade secret or other proprietary right or right of privacy of any third party. Target represents and warrants that the Target Marks shall not violate or infringe any patent, copyright, United States trademark, trade secret or other proprietary right or right of privacy of any third party.

(d) *Indemnity.*

(i) *Indemnification.* Each party shall indemnify, hold harmless and defend the other party (including its parent and affiliated companies), except in the event of the other party's gross negligence or bad faith, from and against any and all third-party claims, actions, proceedings, expenses (including reasonable attorney's fees), damages or liabilities, (A) arising out of or relating to the breach or alleged breach of its own representations, warranties or obligations in this Agreement (without reference to any knowledge qualifiers therein); or (B) for bodily injury (including death) or damage to real or tangible personal property arising out of or relating to the negligence or willful misconduct of that party.

(ii) *Procedure.* Each party agrees (A) to notify the other in writing promptly of any claim of which it is aware that is subject to indemnification by the other, (B) to give the other the opportunity to defend or negotiate a settlement of any such claim at the other's sole expense, and (C) to cooperate reasonably with the other, at the other's sole expense, in defending or settling such claim. If the indemnifying party does not assume the defense of a claim that it has been given notice about within a reasonable time, the party being indemnified may assume the defense and settlement of that claim.

(e) *LIMITATION OF LIABILITY.* IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OF DATA, INTERRUPTION OF BUSINESS, OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, MULTIPLE, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND, WHETHER BASED ON CONTRACT, TORT (INCLUDING WITHOUT LIMITATION, NEGLIGENCE), WARRANTY, GUARANTEE OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(f) *DISCLAIMER.* EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE. Without limiting the foregoing, neither party makes any representation or warranty regarding the number of visits to its site or the number of visits to the other party's site originating from the first party's site.

11. Term and Termination.

(a) *Term.* The initial term of this Agreement shall extend for two (2) years from the Start Date of this Agreement (the "Initial Term"). After the Initial Term, this Agreement shall automatically renew for separate, consecutive one (1) year terms unless terminated

pursuant to Section 11(b) below. The parties agree to conduct a business review of the Program after nine months of operation and discuss Customer repeat purchasing behavior reporting (as described in Exhibit C), merchandise, branding and promotional strategies and any adjustments required to optimize performance, including the suppression of certain product categories on the Branded Site.

(b) *Termination.* Either party may terminate this Agreement at any time (i) in the event of a material breach by the other party of this Agreement that remains uncured twenty (20) days after the breaching party's receipt of notice of the breach; (ii) in the event the other party is unable to generally pay its debts as due, or enters into or files (or has filed or commenced against it) a petition, arrangement, action or other proceeding seeking relief or protection under the bankruptcy laws of the United States or similar laws of the United States or any state of the United States or any applicable jurisdiction; or (iii) after the first twelve (12) months after the Start Date, upon sixty (60) days prior written notice to the other party. Additionally, Target may terminate this Agreement immediately upon notice to Operator, in the event that Operator breaches any of the following Sections: 2(d) except to the extent caused by a third party), 3(c), 10(b) or 10(c).

(c) *Effects of Termination.* Within twenty four (24) hours after termination or expiration of this Agreement for any reason, each party shall remove from its Web sites all links to the other party's Web site from any and all computer systems, files, or storage media within its possession or control, but Operator shall continue to fulfill and support Product orders received prior to such termination or expiration. After termination or expiration of this Agreement, each party, upon request of the other party, shall promptly: (i) return to the other party any and all documents or other media embodying the other party's Image or Marks; and (ii) certify to the other party in writing that it has complied with the foregoing obligations in this Section 11(c). Upon any termination or expiration of this Agreement, the licenses granted in Sections 8(a) and (b) and all other rights of the parties under this Agreement shall terminate except as outlined in 11(d) below.

(d) *Survival.* The following terms and conditions of this Agreement shall survive the expiration or termination of this Agreement: (i) any payment and record keeping obligations, (ii) any warranties or disclaimers of warranty, (iii) any indemnification obligations, (iv) any outstanding confidentiality obligations, (v) any limitations on liability, (vi) any obligations to comply with law, rule or regulation, (vii) any restrictions on use or disclosure of User Information, and (viii) any other provision which, by its terms, is intended to survive the expiration or termination of this Agreement or which provides for any activity, obligation or right following the expiration or termination of this Agreement.

12. Miscellaneous.

(a) *Independent Contractors.* Target and Operator are each independent contractors with respect to this Agreement. Nothing contained herein shall be deemed to create the relationship of partner, franchisor-franchisee, principal and agent, or joint venture between the parties. Neither party has the right or authority to incur obligations of any kind in the name of or for the account of the other party nor to commit or bind the other party to any contract or other obligation.

(b) *Notices.* Any and all notices required hereunder shall be in writing, addressed and sent U.S. Certified or Registered Mail, Return Receipt Requested, or overnight courier, postage prepaid to the other party at the mailing

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press first shown above for such party. Consents required to be "in writing" may also be sent via e-mail to e-mail addresses designated by a party. Any notice to Operator shall be directed to the attention of the Chief Executive Officer of Operator. Any notice to Target shall be directed to the attention of Senior Manager, New Business Development, CC-2450, with a copy to: Assistant General Counsel, Target Corporation, 1000 Nicollet Mall, TPS-3155, Minneapolis, MN 55403. All notices shall be deemed delivered three business days after the date of their deposit in the U.S. Mail or the date of delivery if sent by overnight courier or e-mail.

(c) *No Assignment.* This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and permitted assigns. Neither party may transfer or assign (by merger, sale, consolidation, reorganization, operation of law or otherwise) this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

(d) *Governing Law and Jurisdiction.* This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without reference to its conflicts of laws principles. All actions with respect to or concerning disputes arising out of or relating to this Agreement shall be brought exclusively in the federal or state courts having jurisdiction within Hennepin County, Minnesota, and the parties expressly consent to the venue, convenience and personal jurisdiction of such courts.

(e) *Force Majeure.* Neither party shall be deemed in default of this Agreement to the extent that performance of its obligations or attempts to cure any breach are delayed or prevented due to an event beyond the reasonable control of the party (including natural disaster, acts of God, war, actions or decrees of governmental bodies, or war, but excluding employee strikes or a shortage of supplies or personnel) (a "Force Majeure Event"), provided that such party gives the other party written notice of such Force Majeure Event promptly upon discovery thereof and uses its best efforts to promptly overcome or mitigate the delay or failure to perform.

(f) *Third Party Beneficiary.* As owner of the Target Marks, Target Brands, Inc. is an intended third party beneficiary of this Agreement.

(g) *Publicity.* Neither party shall issue any press release or make any other public statement regarding the terms or subject matter of this Agreement without the prior written consent of the other party.

(h) *Headings.* The section and paragraph headings used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement. As used in this Agreement, the word "including" shall mean "including, but not limited to".

(i) *Severability.* In the event any term or provision of this Agreement or any application thereof shall be deemed to be illegal, void, or unenforceable, then the same shall not affect the remaining portions of this Agreement or any other application of the same which are not determined to be illegal, void or unenforceable, which remaining provisions and any other such application shall survive and constitute the agreement of the parties.

(j) *Waiver.* Failure or delay on the part of either party to exercise any right, power, privilege or remedy under this Agreement shall not constitute a waiver thereof. Any waiver by either party shall not be construed as a waiver of any continuing or succeeding occurrence of the same or similar breach or default or the occurrence of any other breach or default.

(k) *Entire Agreement.* This Agreement, together with its Exhibits, constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings or negotiations, whether written or oral, regarding such subject matter. No modification of any provision of this Agreement shall be valid or binding unless made in writing and signed by authorized representatives of both parties.

Web Referral Agreement

EXHIBIT A

Marketing, Branding and Promotional Programs

Additional Locations on Branded Site for Links to Target Site and Target Branding on Branded Site:

Target banner displayed at the top of every page
Hot deals page under Preferred Partner
Home page offer (periodically as agreed to between the parties)
Other pages (as agreed to between the Parties)

Examples of Promotion Opportunities of Branded Site on Target Sites to be Discussed by the Parties:

Target.com and Fields.com placement of direct link to Branded Site, deep links into site where possible

- HOME PAGE – left side navigation under Home, shop by BRAND – links to various key ABWM brands including popular American Brand
- SHOP HOME PAGE – new category – Shop Blinds and Wallpaper
- STORES AND SERVICES, PARTNERS AND PROMOTIONS – Emarketplace/Trusted Partners – opportunity for bi-weekly promotions
- TRUSTED PARTNERS – listed in left nav and featured in center section
- SHOP HOME DÉCOR – left hand nav, list product links, widget and feature placement available if sales justify
- SHOP WINDOW COVERINGS, SHOP WALLCOVERINGS – add custom order, drop ship categories
- GLOBAL SEARCH – ABWM to provide list of keywords, banner ad pops with search
- SITELETS – ABWM to participate where possible in these targeted marketing experience channels – cornerstone partner for HOME&GARDEN, partner in others as well (eg. BABY, NASCAR, etc)
- GIFT REGISTRY- feature ABWM in appropriate decorating sections

Gift Card – offer including Target gift cards.

New Mover/Segmentation Campaigns – e.g., ABWM as a feature partner of ZOOMER and NEW MOVER campaigns in 2003

Blow-in card offers in existing and future catalogs– ABWM catalogs and Fields.direct catalog

Target credit card offer – e.g., sign up and receive 10% off at ABWM

Email including exclusive offers and endorsement campaigns

ABWM to sign up for Target linkshare Affiliate program at 7% commission rate pursuant to terms of the Target Affiliate Program, and the parties will explore further marketing campaigns directing ABWM customers to Target.

Other opportunities include Inkjet POS messaging, Target VISA statement messages and inserts announcing the new service and product offering available online.

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EXHIBIT B

Service Levels

1 INTRODUCTION

1.1 Profile Information

Operator has completed Target's Partner Technical Information Profile, which includes contact and system information. The contacts for Operator will be available 24 x 7 x 365 (24 hours per day, 7 days per week and 365 days per year). Operator will provide updated contact information to Target as necessary.

1.2 Definitions

The following definitions shall apply to this Exhibit in addition to those set forth in the Agreement:

"Authorized Target Representative" means an individual who Target has identified via name and email address as a contact for Operator's Operations Support Desk.

"Availability" means, in any given Month, Potential Uptime less Downtime, divided by Potential Uptime, expressed as a percentage.

"Business Days" mean Monday through Friday with the exception of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

"Contract Year" means the twelve (12) Month period commencing on the Start Date and each twelve Month period, if any, commencing on the anniversary thereof.

"Downtime" means the amount of time, measured in minutes, in a given Month that the Branded Site is not available as a result of a Service Interruption, as further described in Section 2.1.

"Force Majeure Event" means an event described in Section 12(e) of the Agreement.

rcf "Maintenance Windows" means, in each week, (i) the period commencing at ^{Monday} 12:01 a.m. (Central Time) on ~~Sunday~~ and ending at 4:00 a.m. (Central Time) on that same ~~Sunday~~, and (ii) the period commencing at 12:01 a.m. (Central Time) on Tuesday and ending at 2:00 a.m. (Central Time) on that same Tuesday.

"Month" means calendar month.

"Potential Uptime" means the amount of time that a specified service should be available (as indicated below) in each Month. For example, the Potential Uptime in June for 24 x 7 x 365 would be calculated in minutes as 30 days x 24 hours x 60 minutes or 43,200 minutes.

"Probation Event" has the meaning set forth in Section 3.2 of this Exhibit.

"Resolution" or "Resolved" means, with respect to any problem, ending the Service Interruption or, if the problem did not involve a Service Interruption, completion of all action items associated with the problem. Subject to the sole discretion of Target, Target may agree that scheduling of completion for a later date that is acceptable to Target or development of a plan for monitoring the problem that is acceptable to Target constitutes Resolution.

"Resolution Time" means the amount of time from the beginning of a Service Interruption until Resolution of the Service Interruption, except as set forth in Section 2.5 of this Exhibit.

"Resolution Time Standard" means the time set forth in Section 2.1 of this Exhibit.

"Response Time" means the amount of time between Operator's Operations Support Desk becoming aware of a problem (by automated alerts, by Operator's personnel, or by Authorized Target Representatives reporting a problem to Operator's Operations Support Desk pursuant to the

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Operations and Procedures Manual)⁴ and a telephone call from Operator's Operations Support Desk to one of the Authorized Target Representatives.

"Response Time Standard" means the time set forth in Section 2.1 of this Exhibit.

"Scheduled Maintenance" means maintenance of the Branded Site, so long as such maintenance is (i) performed during a Maintenance Window, where Operator has provided notice to Target as far in advance as reasonably possible (but in no event less than 24 hours) before the commencement of such maintenance, which notice specifies the nature of such maintenance and the anticipated impact of such maintenance upon availability and performance of the Branded Site, (ii) specifically agreed to by both parties in a Statement of Work, or (iii) otherwise consented to in writing by Target's project manager.

"Service Interruptions" shall mean the unavailability of the Branded Site, or any material portion thereof, caused by, resulting from or attributable to software, hardware or equipment owned or controlled by Operator or its agents, except to the extent attributable to Scheduled Maintenance or the causes set forth in Section 2.4.

"Service Levels" means the service delivery criteria established for specific Services, as set out in Section 4.3 of this Exhibit.

"Services" means the services provided by Operator under the Agreement.

"Severity 2," "Severity 3," and "Severity 4" shall have the meanings set forth in Sections 2.1 and 2.2 of this Exhibit.

"Termination Event" has the meaning set forth in Section 3.3 of this Exhibit.

"Weighting Factor" means the percentages set forth in Section 4.3 of this Exhibit.

2 SERVICE INTERRUPTIONS

2.1 Severity Classifications and Standards

Reported or discovered problems (each a **"Problem"**) will be categorized according to the following severity guidelines. In the event that Operator receives a Problem report from Target's designated technical contact or otherwise discovers a Problem, Operator shall take corrective action as set forth below:

Severity Level	Description	Response Time Standard	Resolution Time Standard
2-Major	<ul style="list-style-type: none"> • Business critical function is down • Major impact to the business • No workarounds exists 	As soon as possible, but no more than 1 hour	4 hours
3-Significant	<ul style="list-style-type: none"> • Business critical function is impaired or degraded • There are time-sensitive issues that impact ongoing production • Workaround exists, but it is only temporary 	4 hours	24 hours

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4-Minor	<ul style="list-style-type: none"> • Non-critical function down or impaired • Does not have significant current production impact • Performance is degraded • Generic Service enhancements 	1 business day	80% within 2 business days 98% within 1 week
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2.2 Severity Levels

The following escalation procedures are aimed at achieving the Resolution Time Standards set forth above.

Severity Level	Description
2-Major	<p>If a severity level "Major" Problem cannot be Resolved within eight (8) hours after the Problem is reported, Operator will (a) escalate the Problem and (b) increase the level of technical expertise to assist in finding a resolution to the Problem, and provide additional technical support until the error is Resolved.</p> <p>If a severity level "Major" Problem cannot be Resolved within three (3) days after the Problem is reported, either party may escalate the Problem to the appropriate individuals for further consideration.</p> <p>Examples of "Major" Problems include guest transactions not processing, Branded Site link or Product search not working, and Product Images unavailable.</p>
3-Significant	<p>If a severity level "Significant" Problem cannot be Resolved within forty-eight (48) hours after the Problem is reported, Operator will (a) escalate the Problem and (b) increase the level of technical expertise to assist in finding a Resolution to the Problem.</p> <p>If a severity level "Significant" Problem cannot be Resolved within three (3) days after the Problem is reported, such Problem shall thereafter be deemed a "Major" Problem for Resolution.</p>
4-Minor	<p>The Party owning the "Minor" Problem will use commercially reasonable efforts during working hours to Resolve any such Problems.</p> <p>If a severity level "Minor" Problem cannot be Resolved within fourteen (14) days (or such other mutually agreed time frame) after the Problem is reported, either Party may escalate the Problem to the appropriate individuals for further consideration.</p>

2.3 Downtime Measurement

Operator's customer support trouble tickets will be used for the measurement of a Service Interruption. Trouble tickets are created by automated alerts (if applicable), by Operator personnel, or by Operator personnel responding to Authorized Target Representatives reporting problems to Operator's customer support. For the purpose of measuring Downtime, a Problem (i) begins upon the earliest of an automated alert, Operator personnel discovering a problem, or the creation of a trouble ticket, and (ii) ends when an Authorized Target Representative agrees that the Problem has been Resolved as reflected in Operator's customer support trouble ticket.

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Service Interruption Exclusions

An interruption of Service shall not be considered a Service Interruption to the extent that it is caused by one or more of the following factors:

- 2.4.1 Target's failure to perform its obligations under the Agreement;
- 2.4.2 Changes made to the Target Site by Target that were not communicated to Operator in a timely manner;
- 2.4.3 The written request or consent by Target's project manager to interruption of the Branded Site specifically acknowledging that such interruption shall not count as Downtime, up to the amount of time set forth in such request or consent;
- 2.4.4 Force Majeure Events.

Operator shall bear the burden of establishing the extent to which any Problems are caused by one or more of these factors.

2.5 Resolution Exclusions

Time that is used to resolve a Service Interruption shall not be considered Resolution Time to the extent that the use of such time was caused by one or more of the following factors:

- 2.5.1 Target's failure to perform its obligations under the Agreement;
- 2.5.2 Changes made to the Target Site by Target that were not communicated to Operator in a timely manner;
- 2.5.3 Force Majeure Events.

Operator shall bear the burden of establishing the extent to which any Problems are caused by one or more of these factors.

3 TERMINATION AND PROBATION EVENTS

3.1 Right to Terminate

Notwithstanding Section 11 of the Agreement, the occurrence of a Termination Event shall constitute a non-curable material breach, and Target shall have the immediate right to terminate the Agreement upon notice to Operator, with the date of termination being specified in such notice.

3.2 Probation Events

Each of the following shall constitute a "Probation Event":

- 3.2.1 Aggregate Downtime in any Month is equal to or greater than 20 hours;
- 3.2.2 There occur 4 or more Severity 2 problems in any Month;
- 3.2.3 There occur 15 or more Severity 2 problems in any six (6) Month period;
- 3.2.4 There occur 7 or more Severity 3 problems in any Month.

For the purposes of determining Probation Events: (a) all Service Interruptions that are caused by the same root cause of failure and occur within a single 24-hour period will be considered as one instance of the Service Interruption, and (b) any single Service Interruption extending over a period of more than 24 hours will be considered to be multiple Service Interruptions, with one problem deemed to occur for each 24-hour period (or portion thereof) in which such Service Interruption is ongoing.

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3 Termination Event

Two or more Probation Events in any Contract Year shall constitute a "Termination Event."

4 PERFORMANCE MEASUREMENT

4.1 General

Operator shall provide the Services in a manner that meets or exceeds the requirements of this Section 4 of this Exhibit (the "Service Levels").

4.2 Non-Discrimination

With respect to the Services to be performed under the Agreement and measured according to the Service Levels set forth in this Section 4, Operator will perform the Services for Target at a level that is substantially the same or better than the level at which similar services are performed by Operator for other Web sites operated by Operator. In the event that any of the reported Service Levels for the Service Metrics are below the Service Levels below during a Month, Target may request documentation of Operator Service Levels for the applicable Service Metric during such Month. Operator will promptly provide documentation of such Operator Service Level. As used herein, "Operator Service Level" means the service level at which Operator performs obligations for the other Web sites operated by Operator that are identified by a Service Level, factoring out objective and specifically identifiable circumstances rendering such Operator Service Level and the Service Level for the applicable Service Metric non-comparable.

4.3 Specific Service Levels

(a) Site Availability	7 x 24 x 365	99.5% Availability
(b) Resolution of Problems	n/a	Within 24 hours, A major problem will be Communicated with Action Plan to be agreed to between the parties. Site maintenance between the hours of 2am-4am.
(c) Home Page Loading Time	n/a	90% under 2 seconds
(d) Other Page Loading Time	n/a	90% under 2 seconds
(e) Operations Support Desk Availability and Response Time		
(i) Severity 2	7 x 24 x 365	90% within Response Time Standard
(ii) Severity 3 or 4	As set forth in Section 2.1	90% within Response Time Standard
(f) Customer Support		
(i) Telephone Contacts	6am-1am EST	80% in 30 seconds
(ii) Email Contacts	Sales (7 days); 9am-6pm EST Customer Service	99% in 24 hours
(g) Order Fulfillment		
(i) On-time Fulfillment	n/a	95%
(ii) Shipment Quality		99%

"Telephone Contact" means the time a Customer spends waiting for a customer service representative to answer the telephone.

"Email Contact" means the time between Operator's receipt of an e-mail through its customer service functionality and the time at which Operator sends a response to such e-mail (i.e. an acknowledgement and/or resolution of the Customer's request), as measured on Operator's systems.

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"On-time Fulfillment" means orders are delivered within the indicated web site delivery window.

"Shipment Quality" means the percentage of shipments shipped free of errors.

All Service Metrics represent average performance over a Month.

5 MISCELLANEOUS

5.1 General Obligations

Operator shall use reasonable commercial efforts to monitor the Branded Site for Problems, identify root causes, correct Problems and minimize recurrences of missed Service Levels and Probation Events for which it is responsible. In addition, in connection with a Severity 2 Problem, Operator will participate by telephone in a post mortem problem review process if requested by Target.

5.2 Reports; Monitoring

Operator will deliver to Target the reports set forth in Exhibit C. If requested by Target, Operator will also make available to Target copies of Customer e-mails and enable monitoring of customer service phone calls and order fulfillment relating to the Branded Site.

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EXHIBIT C

Fees, Payment & Reports

Payment Calculation

Operator shall pay Target a percentage of sales as follows (the "Commissions"):

Category One: Operator shall pay Target ten percent (10%) of Net Sales made through the Branded Site or designated toll-free number.

Category Two: Operator shall pay Target ten percent (10%) of Net Sales made through the Operator Site or Operator showrooms to Customers whose original order was within the previous ninety (90) days.

For purposes of this Agreement, "Net Sales" means the total retail sales price of Products ordered by Customers through the Branded Site, designated toll-free number, Operator Site or Operator showroom, as applicable, excluding any discounts, applicable sales taxes and shipping fees; also net of any refunds, returns or credit card chargebacks.

Operator's payment obligations shall survive termination or expiration of this Agreement for a period of ninety (90) days. Thus, for example, Operator has a continuing obligation to make payments to Target on sales to Customers through the Operator Site, notwithstanding the termination or expiration of this Agreement, for ninety (90) days after termination or expiration.

Target shall pay to Operator a referral fee of 7% of the net sales of qualifying products driven through its Linkshare Affiliate program (pursuant to the terms of Target's Affiliate Program) as well as on any other sales driven directly by Operator marketing campaigns.

Payment Due

Operator and Target shall pay any Commissions or non-affiliate based referral fees due by the 20th day of each calendar month for the preceding month's Net Sales.

Reports

Together with each Commissions payment, Operator shall submit a report, in a format to be agreed upon by the parties, containing the following information:

- (a) a detailed description of how the monthly Commissions payment amount was calculated;
- (b) User Information, including the applicable Customer name, email address (if obtained), postal address and purchase information;
- (c) a detailed assessment of Operator's performance against the Service Levels specifically related to branded site availability only;
- (d) sales metrics for sales to Customers for the previous month, including total sales, number of orders, average order, number of Product units sold, sales by channel (online vs. phone) and sales by product category.

Within 60 days of the Start Date, Operator will also provide to Target web-based tracking of daily sales metrics and traffic metrics of Customers, including number of total visits, number of unique visitors, click-through and conversion rates, and number of page/product views.

Operator will further provide to Target at the nine month business review described in Section 11(a) of the Agreement a report indicating the number of repeat purchase sales made through the Operator Site or Operator showrooms to Customers by time period related to original purchase date (i.e. repeat purchase sales within 90 days of original sale, 120 days of original sales, etc.).