**CONSULTING AGREEMENT**

**THIS CONSULTING AGREEMENT (the "Agreement")  dated October 31, 1999  
  
BETWEEN:**

Adventure Works Cycles of Twelve Main Street, NY, 98021  
(the "Client")

**- AND -**

Patti Fernandez of 601 Union St, Seattle WA 98001  
(the "Contractor").

**BACKGROUND:**

1. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
2. The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.

**IN CONSIDERATION OF** the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

Services Provided

1. The Client hereby agrees to engage the Contractor to provide the Client with services (the "Services") consisting of:
   * The Contractor will provide Research services for the Client.
2. The Services will also include any other tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

Term of Agreement

1. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until the completion of the Services, subject to earlier termination as provided in this Agreement. The Term of this Agreement may be extended by mutual written agreement of the Parties.
2. In the event that either Party wishes to terminate this Agreement prior to completion of the Services, that Party will be required to provide at least 15 days' notice to the other Party.

Performance

1. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

Currency

1. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in US Dollars.

Compensation

1. For the services rendered by the Contractor as required by this Agreement, the Client will provide compensation (the "Compensation") to the Contractor for the flat fee of $4000.
2. The Compensation will be payable upon completion of the Services.
3. The Compensation as stated in this Agreement does not include sales tax, or other applicable duties as may be required by law. Any sales tax and duties required by law will be charged to the Client in addition to the Compensation.

Reimbursement of Expenses

1. In connection with providing the Services hereunder, the Contractor will only be reimbursed for expenses that have been approved in advance.
2. The Contractor will furnish vouchers to the Client for all such expenses.

Additional Resources

1. The Client agrees to provide, for the use of the Contractor in providing the Services, the following resources:
   * The Client will provide work space and network access.

Confidentiality

1. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Client which would reasonably be considered to be proprietary to the Client including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Client and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.
2. The Contractor agrees that it will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client. This obligation will survive the expiration or termination of this Agreement and will continue indefinitely.
3. All written and oral information and materials disclosed or provided by the Client to the Contractor under this Agreement is Confidential Information regardless of whether it was provided before or after the date of this Agreement or how it was provided to the Contractor.

Non-Competition

1. Other than with the express written consent of the Client, which will not be unreasonably withheld, the Contractor will not be directly or indirectly involved with a business which is in direct competition with the particular business line of the Client, divert or attempt to divert from the Client any business the Client has enjoyed, solicited, or attempted to solicit, from other individuals or corporations, prior to the expiration or termination of this Agreement. This obligation will survive the expiration or termination of this Agreement and will continue for one year from the date of such expiration or termination.

Ownership of Materials and Intellectual Property

1. All intellectual property and related materials (the "Intellectual Property") including any related work in progress that is developed or produced under this Agreement, will be the sole property of the Client. The use of the Intellectual Property by the Client will not be restricted in any manner.
2. The Contractor may not use the Intellectual Property for any purpose other than that contracted for in this Agreement except with the written consent of the Client. The Contractor will be responsible for any and all damages resulting from the unauthorized use of the Intellectual Property.

Return of Property

1. Upon the expiry or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

Capacity/Independent Contractor

1. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service.  
     
   Governance
2. This agreement and all services rendered hereunder shall be governed under the laws of the state of Hawaii.

Notice

1. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties of this Agreement as follows:
   1. Adventure Works Cycles  
      Twelve Main Street, Laurel, NY 98021
   2. Patti Fernandez  
      601 Union St, Seattle WA 98001

or to such other address as any Party may from time to time notify the other.

Indemnification

1. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

Insurance

1. The Contractor will be required to maintain general liability insurance including coverage for bodily injury and property damage at a level that would be considered reasonable in the industry of the Contractor based on the risk associated with the characteristics of this Agreement and only to the extent permitted by law. All insurance policies will remain materially unchanged for the duration of this Agreement.

Legal Expenses

1. In the event that legal action is brought to enforce or interpret any term of this Agreement, the prevailing Party will be entitled to recover, in addition to any other damages or award, all reasonable legal costs and fees associated with the action.

Modification of Agreement

1. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

Assignment

1. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

Entire Agreement

1. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

Enurement

1. This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators, successors and permitted assigns.

Titles/Headings

1. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

Gender

1. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

Governing Law

1. It is the intention of the Parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of Hawaii, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

1. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Waiver

1. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

**IN WITNESS WHEREOF** the Parties have duly affixed their signatures under hand and seal on October 31, 1999.

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|  | Adventure Works Cycles  Per:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Seal) |
|  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Patti Fernandez |