



The Publication for New and Established Homeowners™
Homesteader Enterprises, Inc.

OPTIONAL HEI SERVICES

Dear Prospective Local Publisher:

Some publishing opportunity candidates want to focus their time and energy on sales. Others don't want the headache of running an entire business by themselves, or don't want to worry about hiring and training employees. Others want to be able to grow the business without having to rent office space. Still others have no interest in editorial, layout, database management, or billing, and would simply like someone competent to handle these tasks.

For those of you who see the value in focusing on sales, Homesteader Enterprises, Inc. (HEI) can offer some help.

Because of complicated laws, you can only purchase HEI services within the first six months of starting your business if you do NOT USE OUR TRADEMARKS. If you wish to use our trademarks, you can purchase services anytime after you pay your second fee (after six months.) You must make this decision prior to working with us.

If you do not use our trademarks, we will provide a website portal that you can use at www.New-Homeowner.com. Your website can be linked off that site (or you can send readers directly to your site if you prefer.)

Purchasing services will require you to make a more substantial investment in your business. HEI will also invest time and money in helping you to succeed. We won't be "nickeling and diming" you for everything. But our fees are paid up-front and in advance, and you won't end up paying extra if you are successful...in fact, you might save money.

HEI offers territories at \$3,400 per territory of about 250,000 population. If you wish to purchase services immediately, you will need to purchase at least one territory and pay for it in full. Royalties will commence after your third published issue.

Services that are available are as follows:

Graphic arts services: \$20 per page (8 page minimum). Does not include ad production (available at \$25 per hour). (Initial deposit \$480 for newspaper production, \$750 for ad production.)

Database service: Maintain readership list, provide additions and subtractions as submitted in Excel file, merge new reader names from vendor, keep reader list at targeted mailing circulation. Email list to publisher or printer. \$100 per month per territory. (Initial deposit \$300).

Billing service: Create, maintain, and mail monthly invoices. Update quickbooks accounts with payments (list provided by local publisher). Send out collection letters as provided by local publisher. Provide updated quickbooks file periodically. \$250 per month plus postage for first 100 monthly accounts. (Initial deposit \$750, plus \$50 for postage.)

Editorial service: Create monthly layout of all ads (Excel list provided by local publisher). Place articles from editorial package. Proof paper as completed by graphic artist. \$15 per page (8 page minimum). (Initial deposit \$360.)

Printing services: HEI does not print newspapers. We can email the publications we produce to your local printer to have your edition printed and mailed.

However, there may be economies of scale to print with our printer, if the same production setup is used. For this to work, you must have the same "setup" that we use (same number of pages, same color layout) and therefore you must purchase our graphic services so we can use the same files and correctly time production to save money. If you wish to gang up your printing

with HEI's publications, and possibly save money, contact us for further details. The savings doing this could be substantial, but only if the papers are aligned as to size, color, and printing date.

Should you wish to go forward, contact HEI and let us know which services you wish to utilize. We will work out a schedule and a procedure for working with you. We would need at least 30 days lead time in case we need to hire staff, etc.

It is important that HEI always have three cycles of payments in advance, so you will be required to maintain this balance and add additional deposits if our fees change or if the services you require increase. However, nothing prevents you from cancelling HEI's services so long as we are given 90 days written notice, which must be acknowledged by us.

Once notice is given, we will continue to perform the services for the remainder of the term and no further payments would be due, if your deposits fully cover the work involved. This allows us to reprioritize our staff and their assignments in an orderly way. Cancelling your HEI services will not affect the publishing licenses, your editorial packages, or any other services you wish HEI to continue to perform.

You cannot cancel the editorial services or the payment of royalties unless you decide to close the publication. HEI requires 90 days notice of such intent, and retains the right (but not the obligation) to take over your publication should you choose to stop.

If you have any questions about HEI services, contact President Allen Nitschelm at (800) 941-9907 x11, or email Allen@TheHomesteader.com.