

**UNITED STATES  
SECURITIES AND EXCHANGE  
COMMISSION**  
Washington, D.C. 20549  
**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. )\***

**IMPROVENET, INC.**  
(Name of Issuer)

**Common Stock, \$.001 par value per share**  
(Title of Class of Securities)

**45321E 10 6**  
(CUSIP Number)

**Gregory R. Blatt, Esq.**  
**IAC/InterActiveCorp**  
**152 West 57th Street**  
**New York, NY 10019**  
**(212) 314-7300**

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**June 22, 2005**  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 45321E 10 6

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
IAC/InterActiveCorp

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Source of Funds (See Instructions)  
N/A

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

---

6. Citizenship or Place of Organization  
Delaware

---

7. Sole Voting Power  
0

---

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

8. Shared Voting Power  
35,770,740

---

9. Sole Dispositive Power  
0

---

10. Shared Dispositive Power  
35,770,740

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
35,770,740

---

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

---

13. Percent of Class Represented by Amount in Row (11)  
65.6%

---

14. Type of Reporting Person (See Instructions)  
CO

---

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
ServiceMagic, Inc.

---

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

---

(b)

---

3. SEC Use Only

---

4. Source of Funds (See Instructions)  
N/A

---

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

---

6. Citizenship or Place of Organization  
Delaware

---

7. Sole Voting Power  
0

---

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

8. Shared Voting Power  
35,770,740

---

9. Sole Dispositive Power  
0

---

10. Shared Dispositive Power  
35,770,740

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
35,770,740

---

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

---

13. Percent of Class Represented by Amount in Row (11)  
65.6%

---

14. Type of Reporting Person (See Instructions)  
CO

---

3

---

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Sunbelt Acquisition Corp.

---

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

---

(b)

---

3. SEC Use Only

---

4. Source of Funds (See Instructions)

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization  
Delaware

7. Sole Voting Power  
0

8. Shared Voting Power  
35,770,740

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

9. Sole Dispositive Power  
0

10. Shared Dispositive Power  
35,770,740

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
35,770,740

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)  
65.6%

14. Type of Reporting Person (See Instructions)  
CO

## Item 1. Security and Issuer

This statement on Schedule 13D relates (the "Schedule 13D") to shares common stock, par value \$0.001 per share (the "Common Stock"), of ImproveNet, Inc., a Delaware corporation ("ImproveNet"). The principal executive offices of ImproveNet are located at 10799 North 90th Street, Suite 200, Scottsdale, AZ 85260.

## Item 2. Identity and Background

This statement is filed by IAC/InterActiveCorp, a Delaware corporation ("IAC"), ServiceMagic, Inc., a Delaware corporation ("ServiceMagic"), and Sunbelt Acquisition Corp., a Delaware corporation ("Sunbelt" and, together with IAC and ServiceMagic, the "Reporting Persons"). IAC and its subsidiaries, via the Internet, the television and the telephone, engage in a worldwide business of interactivity across electronic retailing, travel services, ticketing services, personal services, local information services and teleservices. The principal executive offices of IAC are located at 152 West 57th Street, New York, NY 10019. ServiceMagic is a subsidiary of IAC. ServiceMagic operates an online marketplace connecting consumers with businesses providing home improvement, repair, maintenance and other construction services. Sunbelt is a wholly-owned subsidiary of ServiceMagic formed for purposes of consummating the merger described below. The principal executive offices of the ServiceMagic and Sunbelt are located at 14023 Denver West Pkwy., Suite 200, Golden, CO 80401.

Annex A attached to this Schedule 13D contains the following information concerning each director, executive officer and controlling person of the

Reporting Persons: (a) the name and residence or business address; (b) the principal occupation or employment and (c) the name, principal business and address of any corporation or other organization in which such employment is conducted. Annex A is incorporated herein by reference. To the knowledge of the Reporting Persons, each of the persons named on Annex A (the "Annex A Persons"), is a United States citizen. During the last five years, neither the Reporting Persons nor any of the Annex A Persons (to the knowledge of the Reporting Persons) has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, is or was subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

Barry Diller, the Chairman and Chief Executive Officer of IAC, Universal Studios, Inc., Liberty Media Corporation, and Vivendi Universal, S.A. are parties to a stockholders agreement (the "IAC Stockholders Agreement") relating to IAC. Mr. Diller's business address is, c/o IAC at 152 West 57th Street, New York, New York 10019. Through his own holdings, holdings owned jointly with Liberty and shares subject to proxy pursuant to the IAC Stockholders Agreement, Mr. Diller has the right, directly or indirectly, to control approximately 55.8% of the outstanding total voting power of IAC. As a result, except with regard to certain specified matters, Mr. Diller generally has the ability to control the outcome of all matters submitted to a vote of IAC's stockholders. Mr. Diller disclaims beneficial ownership of any shares of ImproveNet stock beneficially owned by IAC.

5

---

### Item 3. Source and Amount of Funds or Other Consideration

This Schedule 13D is being filed because the Reporting Persons may be deemed to have obtained beneficial ownership of ImproveNet Common Stock pursuant to the Voting Agreements described below. The Reporting Persons do not have any economic interest in the shares of ImproveNet Common Stock, and the Reporting Persons have not used any funds to purchase shares of ImproveNet Common Stock. To the Reporting Persons' knowledge, no person listed in Annex A has an ownership interest in ImproveNet.

On June 22, 2005, ServiceMagic and Sunbelt entered into separate but substantially identical Proxy and Voting Agreements (the "Group A Voting Agreements") with each of Farsi Family Trust and Kinderhook Partners, LP (the "Group A Stockholders"). The Group A Stockholders entered into the Group A Voting Agreements as an inducement for ServiceMagic and Sunbelt to enter into the Merger Agreement discussed in Item 4 and in consideration thereof. ServiceMagic and Sunbelt have not paid additional consideration to the Group A Stockholders or ImproveNet in connection with the execution and delivery of the Group A Voting Agreements. Separately, on June 22, 2005, ServiceMagic and Sunbelt entered into separate but substantially identical Proxy and Voting Agreements (the "Group B Voting Agreements" and, together with the Group A Voting Agreements, the "Voting Agreements") with each of Ahmad Family Trust and Hayjour Family Limited Partnership (the "Group B Stockholders"). The Group B Stockholders entered into the Group B Voting Agreements as an inducement for ServiceMagic and Sunbelt to enter into the Merger Agreement discussed in Item 4 and in consideration thereof. ServiceMagic and Sunbelt have not paid additional consideration to the Group B Stockholders or ImproveNet in connection with the execution and delivery of the Group B Voting Agreements.

### Item 4. Purpose of Transaction

(a)-(b) The Voting Agreements were entered into in connection with the transactions contemplated by the Agreement and Plan of Merger (the "Merger Agreement") dated as of June 2, 2005 by and among ServiceMagic, Sunbelt, ImproveNet and the Principal Stockholders of ImproveNet signatory thereto. Pursuant to the Merger Agreement, subject to certain conditions, Sunbelt will be merged with and into ImproveNet with ImproveNet continuing as the surviving corporation (the "Surviving Corporation") and a wholly-owned subsidiary of ServiceMagic (the "Merger"). As a result of the Merger, each issued and outstanding share of ImproveNet Common Stock will be automatically converted into the right to receive, subject to certain adjustments, approximately \$0.12 in cash per share (the "Per Share Merger Consideration"). Each outstanding stock option granted under the ImproveNet stock option plans with an exercise price that is less than the Per Share Merger Consideration that is vested at the effective time of the Merger (the "Effective Time") will be automatically converted into the right to receive the Per Share Merger Consideration less the exercise price with respect to such stock option. Each outstanding warrant to purchase ImproveNet Common Stock with an exercise price that is less than the Per Share Merger Consideration that is exercisable at the Effective Time will be automatically converted into the right to receive the Per Share Merger Consideration less the exercise price with respect to such warrant. At the Effective Time, all those options and warrants other than those described above shall be automatically cancelled and terminated and shall not entitle the holder thereof to receive any consideration therefor. The consummation of the Merger

6

---

is subject to the approval of the stockholders of ImproveNet and other customary closing conditions.

ServiceMagic and Sunbelt entered into the Voting Agreements in connection with the Merger Agreement. Pursuant to the Group A Voting Agreements, each of the Group A Stockholders agreed to vote, and has granted to Sunbelt and its successors and assigns, with full power of substitution and resubstitution, an irrevocable proxy and power of attorney to vote, at any meeting of the holders of ImproveNet Common Stock, however called, or in any other circumstance upon which the vote or other approval of holders of ImproveNet Common Stock is sought, its shares of ImproveNet Common Stock owned beneficially or of record: (i) in favor of approval of the Merger Agreement and the transactions contemplated thereby; (ii) against any proposal that is intended to, or is reasonably likely to, result in any of the conditions of ServiceMagic's or Sunbelt's obligations under the Merger Agreement not being fulfilled; and (iii) against (A) any Takeover Proposal (as defined in the Merger Agreement), or (B) the election of a group of individuals to replace a majority or more of the individuals presently on the Board of Directors of the ImproveNet; *provided* that if one or more individuals presently on the Board of Directors withdraws his or her nomination for reelection at any meeting of stockholders for the election of directors, the Group A Stockholder may vote for a replacement director nominated by ImproveNet's Board of Directors for such individual(s).

In addition to the other covenants and agreements of the Group A Stockholder provided for in the Group A Voting Agreements, from the date of execution of the Group A Voting Agreements until the first to occur of the Effective Time or the termination of the Group A Voting Agreements, the Group A Stockholders have agreed that they will not enter into any agreement, arrangement or understanding with any Person or entity, the effect of which would be inconsistent with or violate the provisions and agreements contained in the Group A Voting Agreements. Nothing in the Group A Voting Agreements shall in any way restrict or limit any Group A Stockholder from taking any action in the stockholder's capacity as a director or officer of ImproveNet or otherwise fulfilling the stockholder's fiduciary obligations as a director or officer of ImproveNet.

The Group A Voting Agreements and the irrevocable proxy granted therein terminate upon the earlier to occur of (a) the termination of the Merger Agreement in accordance with its terms, and (b) the Effective Time.

Pursuant to the Group B Voting Agreements, each of the Group B Stockholders agreed to vote, and has granted to Sunbelt and its successors and assigns, with full power of substitution and resubstitution, an irrevocable proxy and power of attorney to vote, at any meeting of the holders of ImproveNet Common Stock, however called, or in any other circumstance upon which the vote or other approval of holders of ImproveNet Common Stock is sought, its shares of ImproveNet Common Stock owned beneficially or of record: (i) against any proposal that is intended to, or is reasonably likely to, result in any of the conditions of ServiceMagic's or Sunbelt's obligations under the Merger Agreement not being fulfilled; and (ii) against (A) any Takeover Proposal (as defined in the Merger Agreement), or (B) the election of a group of individuals to replace a majority or more of the individuals presently on the Board of Directors of the ImproveNet; *provided* that if one or more individuals presently on the Board of Directors withdraws his or her nomination for reelection at any meeting of stockholders for the election of

7

---

directors, the Group B Stockholder may vote for a replacement director nominated by ImproveNet's Board of Directors for such individual(s).

In addition to the other covenants and agreements of the Group B Stockholder provided for in the Group B Voting Agreements, from the date of execution of the Group B Voting Agreements until the first to occur of the Effective Time or the termination of the Group B Voting Agreements, the Group B Stockholders have agreed that they will not enter into any agreement, arrangement or understanding with any Person or entity, the effect of which would be inconsistent with or violate the provisions and agreements contained in the Group B Voting Agreements. Notwithstanding the foregoing, if the Merger Agreement is terminated in accordance with its terms, each Group B Stockholder may sell its shares of ImproveNet Common Stock subject to the Group B Voting Agreements in open market transactions so long as such sale is not pursuant to, or in connection with, a Takeover Proposal, and so long as such sale, together with all other sales by such Group B Stockholder and the other stockholders of ImproveNet, does not result in any person or group of related persons acquiring in any manner, directly or indirectly, a majority equity interest in, or any voting securities representing at least a majority of the voting interests of, ImproveNet or any of its subsidiaries, whether or not presented as a Takeover Proposal. Nothing in the Group B Voting Agreements shall in any way restrict or limit any Group B Stockholder from taking any action in the stockholder's capacity as a director or officer of ImproveNet or otherwise fulfilling the stockholder's fiduciary obligations as a director or officer of ImproveNet.

The Group B Voting Agreements and the irrevocable proxy granted therein terminate upon the earlier to occur of (a) eighteen (18) months after June 22, 2005, and (b) the Effective Time.

(c) Not applicable.

(d) Upon consummation of the Merger, the directors of Sunbelt will be the directors of the Surviving Corporation, to hold office in accordance with the Certificate of Incorporation and Bylaws of the Surviving Corporation. The current directors of Sunbelt are Rodney Rice, Richard Kang and Lee Spiegler. The officers of the Surviving Corporation shall be the officers of the Sunbelt immediately prior to the consummation of the Merger, until their resignation or removal or until their respective successors are duly elected and qualified.

(e) Other than as a result of the Merger described in Item 4(a) above, not applicable.

(f) Not applicable.

(g) At the Effective Time of the Merger, the Certificate of Incorporation of Sunbelt, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until amended in accordance with applicable law. The Bylaws of Sunbelt, as in effect immediately prior to the Effective time, shall be the Bylaws of the Surviving Corporation at the Effective Time.

(h) - (i) If the Merger is consummated as planned, ImproveNet Common Stock will be deregistered under the Securities Act of 1933, as amended.

8

---

(j) Other than described above, the Reporting Persons currently has no plans or proposals which relate to or would result in any of the matters listed in Items 4(a)-(j) of Schedule 13D.

#### **Item 5. Interest in Securities of the Issuer**

The information contained in Item 3 and Item 4 and Rows (11) through (13) of the cover pages of this Statement on Schedule 13D are incorporated herein by reference.

(a)-(b) Prior to June 22, 2005, neither of the Reporting Persons was the beneficial owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of any shares of ImproveNet Common Stock. Upon execution of the Voting Agreements, the Reporting Persons may be deemed to have acquired shared voting power (for the purposes described in the Voting Agreements) with respect to, and beneficial ownership of, the shares of ImproveNet Common Stock beneficially owned by each of the Group A stockholders and Group B Stockholders. Based on representations made by the Group A Stockholders in the Group A Voting Agreements, the Group A Stockholders beneficially own an aggregate of 17,942,580 shares of ImproveNet Common Stock, constituting approximately 32.9% of such class (based on 54,552,653 shares, the number of shares outstanding as of June 22, 2005 as represented by ImproveNet in the Merger Agreement). Based on representations made by the Group B Stockholders in the Group B Voting Agreements, the Group B Stockholders beneficially own an aggregate of 17,828,160 shares of ImproveNet Common Stock, constituting approximately 32.7% of such class (based on 54,552,653 shares, the number of shares outstanding as of June 22, 2005 as represented by ImproveNet in the Merger Agreement). The total number of shares of ImproveNet Common Stock that the Reporting Persons may be deemed to beneficially own is 35,770,740 shares constituting approximately 65.6% of the total issued and outstanding shares of ImproveNet Common Stock (based on 54,552,653 shares, the number of shares outstanding as of June 22, 2005 as represented by ImproveNet in the Merger Agreement).

Except as disclosed in this Item 5, none of the Reporting Persons nor, to the best of their knowledge, any of their directors or executive officers, beneficially owns any shares of Common Stock of the Issuer.

(c) Neither the Reporting Persons nor, to the knowledge of the Reporting Persons, any person named in Annex A, has effected any transaction in ImproveNet Common Stock during the past 60 days.

(d) To the Reporting Persons' knowledge, each Group A Stockholder and each Group B Stockholder has the right to receive or the power to direct the receipt of dividends from, or proceeds from the sale of, the shares of ImproveNet Common Stock owned by such Group A Stockholder and Group B Stockholder and reported by this statement.

(e) Not applicable.

References to, and descriptions of, the Merger Agreement, the Group A Voting Agreements and the Group B Voting Agreements as set forth above in this Item 5 are qualified in their entirety by reference to the copies of the Merger Agreement, the form of Group A Voting Agreement and the form of Group B Voting Agreement listed as Exhibits 99.1, 99.2, and 99.3,

9

respectively, to this Schedule 13D, which are incorporated in this Item 5 in their entirety where such references and descriptions appear.

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

Other than as described in Items 3, 4 and 5 and the agreements incorporated herein by reference and filed as exhibits hereto, to the knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and between such persons and any person with respect to any securities of ImproveNet, including but not limited to transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

**Item 7. Material to Be Filed as Exhibits**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
99.1	Agreement and Plan of Merger, dated as of June 22, 2005, by and among ServiceMagic, Inc., Sunbelt Acquisition Corp, ImproveNet and the Principal Stockholders of ImproveNet signatory thereto (incorporated herein by reference to Exhibit 2.1 to the Issuer's Current Report on Form 8-K dated June 22, 2005, as amended on June 27, 2005). Pursuant to the Merger Agreement, subject to certain conditions, Sunbelt will be merged with and into ImproveNet with ImproveNet continuing as the surviving corporation and a wholly-owned subsidiary of ServiceMagic.
99.2.	Form of Proxy and Voting Agreement by and among ServiceMagic, Sunbelt and the other parties thereto. Each of Farsi Family Trust and Kinderhook Partners, LP entered into substantially identical versions of this agreement.
99.3	Form of Proxy and Voting Agreement by and among ServiceMagic, Sunbelt and the other parties thereto. Each of Hayjour Family Limited Partnership and Ahmad Family Trust entered into substantially identical versions of this agreement.
99.4	Press Release issued by ServiceMagic, Inc. and ImproveNet, Inc., dated June 22, 2005 (incorporated herein by reference to Exhibit 99.1 to the Issuer's Current Report on Form 8-K dated June 22, 2005).

10

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: June 28, 2005

**IAC/INTERACTIVECORP**

By: /s/ GREGORY R. BLATT  
Name: Gregory R. Blatt  
Title: Executive Vice President and General Counsel

**SERVICEMAGIC, INC.**

By: /s/ LEE SPIEGLER  
Name: Lee Spiegler  
Title: General Counsel

**SUNBELT ACQUISITION CORP.**

By: /s/ LEE SPIEGLER  
Name: Lee Spiegler  
Title: Secretary

11

Set forth below is the name, business address, principal occupation or employment and principal business in which such employment is conducted of each director, executive officer and control person of IAC, ServiceMagic and Sunbelt. The name of each person who is a director of IAC, ServiceMagic or Sunbelt, as the case may be, is marked with an asterisk. Mr. Barry Diller is also a controlling person of IAC.

IAC/INTERACTIVECORP

Unless otherwise indicated, the business address of each person listed below is 152 West 57th Street, New York, NY 10019.

<b>NAME AND BUSINESS ADDRESS</b>	<b>PRINCIPAL OCCUPATION OR EMPLOYMENT</b>	<b>PRINCIPAL BUSINESS IN WHICH SUCH EMPLOYMENT IS CONDUCTED</b>
Barry Diller*	Chairman of the Board, Chief Executive Officer and Director, IAC/InterActiveCorp	IAC/InterActiveCorp
Victor Kaufman*	Vice Chairman and Director, IAC/InterActiveCorp	IAC/InterActiveCorp
Gregory R. Blatt	Executive Vice President and General Counsel, IAC/InterActiveCorp	IAC/InterActiveCorp
Shana Fisher	Senior Vice President, Strategy and M&A, IAC/InterActiveCorp	IAC/InterActiveCorp
Thomas McInerney	Executive Vice President and Chief Financial Officer, IAC/InterActiveCorp	IAC/InterActiveCorp
Edgar Bronfman, Jr.* 75 Rockefeller Plaza New York, NY 10019	Chairman and Chief Executive Officer, Warner Music Group Corp	Warner Music Group Corp.
Donald Keough* 711 Fifth Avenue New York, NY 10022	Chairman of the Board, Allen & Company LLC	Allen & Company LLC
Marie-Josée Kravis* 625 Park Avenue New York, NY 10021	Senior Fellow, Hudson Institute	Hudson Institute

<b>NAME AND BUSINESS ADDRESS</b>	<b>PRINCIPAL OCCUPATION OR EMPLOYMENT</b>	<b>PRINCIPAL BUSINESS IN WHICH SUCH EMPLOYMENT IS CONDUCTED</b>
Bryan Lourd* 9830 Wilshire Blvd. Beverly Hills, CA 90212	Partner and Managing Director, Creative Artists Agency	Creative Artists Agency
Steven Rattner* 375 Park Avenue New York, NY 10152	Managing Principal, Quadrangle Group LLC	Quadrangle Group LLC
Gen. H. Norman Schwarzkopf* 400 North Ashley Street Suite 3050 Tampa, FL 33602	Retired	N/A
Alan Spoon* 1000 Winter Street Suite 3350 Waltham, MA 02451	Managing General Partner, Polaris Venture Partners	Polaris Venture Partners
Diane Von Furstenberg* 389 West 12th Street New York, NY 10014	Chairman, Diane Von Furstenberg Studio L.P.	Diane Von Furstenberg Studio L.P. (Fashion Design)

SERVICEMAGIC, INC.

Unless otherwise indicated, the business address of each person listed below is 14023 Denver West Pkwy., Suite 200 Golden, CO 80401.

<b>NAME AND BUSINESS ADDRESS</b>	<b>PRINCIPAL OCCUPATION OR EMPLOYMENT</b>	<b>PRINCIPAL BUSINESS IN WHICH SUCH EMPLOYMENT IS CONDUCTED</b>
----------------------------------	---	---

Michael J. Beaudoin	Co-Chief Executive Officer, ServiceMagic, Inc.	ServiceMagic, Inc.
Rodney Rice	Co-Chief Executive Officer, ServiceMagic, Inc.	ServiceMagic, Inc.
Gregory R. Blatt* 152 West 57th Street, New York, NY 10019	Executive Vice President and General Counsel, IAC/InterActiveCorp.	IAC/InterActiveCorp

13

NAME AND BUSINESS ADDRESS	PRINCIPAL OCCUPATION OR EMPLOYMENT	PRINCIPAL BUSINESS IN WHICH SUCH EMPLOYMENT IS CONDUCTED
Thomas McInerney* 152 West 57th Street, New York, NY 10019	Executive Vice President and Chief Financial Officer, IAC/InterActiveCorp	IAC/InterActiveCorp

SUNBELT ACQUISITION CORP.

Unless otherwise indicated, the business address of each person listed below is 14023 Denver West Pkwy., Suite 200 Golden, CO 80401.

NAME AND BUSINESS ADDRESS	PRINCIPAL OCCUPATION OR EMPLOYMENT	PRINCIPAL BUSINESS IN WHICH SUCH EMPLOYMENT IS CONDUCTED
Rodney Rice*	Co-Chief Executive Officer, ServiceMagic, Inc.	ServiceMagic, Inc.
Richard Kang* 152 West 57th Street, New York, NY 10019	Senior Vice-President, Strategy and Business Development, IAC/InterActiveCorp	IAC/InterActiveCorp
John Robison	Director, Corporate Development, ServiceMagic, Inc.	ServiceMagic, Inc.
Lee Spiegler*	General Counsel, ServiceMagic, Inc.	ServiceMagic, Inc.

Each person listed above is a citizen of the United States of America.

14

**PROXY  
AND  
VOTING AGREEMENT**

THIS PROXY AND VOTING AGREEMENT (this “**Agreement**”), dated as of June , 2005, is entered into by and between ServiceMagic, Inc., a Delaware corporation (“**Parent**”), and Sunbelt Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Parent (“**Merger Sub**”), on the one hand, and (“**Stockholder**”) on the other hand, and, with respect to Section 7(k) only, ImproveNet, Inc., a Delaware corporation (the “**Company**”).

**RECITALS**

WHEREAS, concurrently herewith, Parent, Merger Sub, and the Company have entered into an Agreement and Plan of Merger, of even date herewith (as such agreement may hereafter be amended from time to time in conformity with the provisions thereof, the “**Merger Agreement**”), pursuant to which Merger Sub will merge with and into the Company and the Company shall be the surviving corporation and become a wholly-owned subsidiary of Parent (the “**Merger**”);

WHEREAS, Stockholder is the beneficial owner (as defined below) of ( ) shares of common stock, \$0.001 par value per share, of the Company (such shares, together with all other shares of capital stock or other voting securities of the Company with respect to which the Stockholder has beneficial ownership as of the date of this Agreement, and any shares of capital stock or other voting securities of the Company, beneficial ownership of which is directly or indirectly acquired after the date hereof, including, without limitation, shares received pursuant to any stock splits, stock dividends or distributions, shares acquired by purchase or upon the exercise, conversion or exchange of any option, warrant or convertible security or otherwise, and shares or any voting securities of the Company received pursuant to any change in the capital stock of the Company by reason of any recapitalization, merger, reorganization, consolidation, combination, exchange of shares or the like, are referred to herein as the “**Stockholder Shares**”); and

WHEREAS, as an inducement and a condition to entering into the Merger Agreement, Parent and Merger Sub have requested that Stockholder agree, and Stockholder has agreed, to enter into this Agreement.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and the mutual premises, representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions. For the purposes of this Agreement, terms not defined herein but used herein and defined in the Merger Agreement shall have the meanings set forth in the Merger Agreement, unless the context clearly indicates otherwise.

2. Voting Agreement. Stockholder hereby agrees with Parent and Merger Sub that, at any meeting of the Company’s stockholders, however called, Stockholder shall appear at each such meeting, in person or by proxy, or otherwise cause all Stockholder Shares then outstanding to be counted as present thereat for purposes of establishing a quorum, and Stockholder shall vote, or cause to be voted (or in connection with any written consent of the Company’s stockholders, act, or cause to be acted, by written consent, if so permitted) with respect to all Stockholder Shares that Stockholder is entitled to vote or as to which Stockholder has the right to direct the voting, as of the relevant record date, (i) in favor of approval of the Merger Agreement and the transactions contemplated thereby; (ii) against any proposal that is intended to, or is reasonably likely to result in any of the conditions of the Parent’s or Merger Sub’s obligations under the Merger Agreement not being fulfilled; and (iii) against (A) any Takeover Proposal (as defined in the Merger Agreement), or (B) the election of a group of individuals to replace a majority or more of the individuals presently on the Board of Directors of the Company; *provided* that if one or more individuals presently on the Board of Directors withdraws his or her nomination for reelection at any meeting of stockholders for the election of directors, Stockholder may vote for a replacement director nominated by the Company’s Board of Directors for such individual(s).

3. Proxy.

(a) Stockholder hereby irrevocably (but subject to the termination provisions of Section 6 hereof) constitutes and appoints Merger Sub, which shall act by and through Rodney Rice and Lee Spiegler (each, a “**Proxy Holder**”), or either of them, with full power of substitution, its true and lawful proxy and attorney-in-fact to vote at any meeting (and any adjournment or postponement thereof) of the Company’s stockholders called for purposes of considering whether to approve the Merger Agreement and transactions contemplated thereby, any Takeover Proposal or any other transaction described in Section 2 hereof, or to execute a written consent of stockholders in lieu of any such meeting (if so permitted), all Stockholder Shares held by Stockholder of record as of the relevant record date in favor of the approval of the Merger Agreement and transactions contemplated thereby and against any Takeover Proposal or any other action described in Section 2(iii)(B) hereof.

(b) The proxy and power of attorney granted herein shall be deemed to be coupled with an interest sufficient in law to support a proxy and shall revoke all prior proxies granted by Stockholder which conflict with the proxy granted herein. Stockholder will take such further action or execute such other instruments as may be necessary to effectuate the intent of this proxy and power of attorney. Stockholder shall not grant any proxy to any person which conflicts with the proxy granted herein, and any attempt to do so shall be void. The power of attorney granted herein is a durable power of attorney and shall survive the insolvency, incapacity, death or liquidation of Stockholder, as the case may be.

(c) If Stockholder fails for any reason to vote his, her or its Stockholder Shares as required by Section 2 hereof, then the Proxy Holder shall have the right to vote the Stockholder Shares at any meeting of the Company’s stockholders and in any action by written consent of the Company’s stockholders in accordance with this Section 3. The vote of a Proxy Holder shall control in any conflict between a vote of such Stockholder Shares by a Proxy Holder and a vote of such Stockholder Shares by Stockholder with respect to the matters set forth in Section 3(a) hereof.

4. Director and Officer Matters Excluded. Parent and Merger Sub acknowledge and agree that no provision of this Agreement shall limit or otherwise restrict Stockholder with respect to any act or omission that Stockholder may undertake or authorize in Stockholder's capacity as a director or officer of the Company, including, without limitation, any vote that Stockholder may make as a director or officer of the Company with respect to any matter presented to the Company Board.

5. Other Covenants, Representations and Warranties. Stockholder hereby represents and warrants to, and covenants with, Parent and Merger Sub as follows:

(a) Title to Stockholder Shares. Stockholder is the "beneficial owner" (as such term is defined in Rule 13(d)(3) promulgated under the Exchange Act, "beneficial owner") of all the Stockholder Shares. Except as set forth in Annex 1, attached hereto, Stockholder has sole voting power and the sole power of disposition with respect to all of the Stockholder Shares outstanding on the date hereof, and will have sole voting power and sole power of disposition with respect to all of the Stockholder Shares acquired by such Stockholder after the date hereof upon the exercise, conversion or exchange of any option, warrant or convertible security owned or held by Stockholder as of the date hereof, with no limitations, qualifications or restrictions on such rights. Stockholder is the sole record holder (as reflected in the records maintained by the Company's transfer agent) of the Stockholder Shares outstanding on the date hereof.

(b) Power; Binding Agreement. Stockholder has the legal capacity, power and authority to enter into and perform all of Stockholder's obligations under this Agreement. The execution, delivery and performance of this Agreement by Stockholder will not violate any agreement or court order to which Stockholder is a party or is subject, including, without limitation, any voting agreement or voting trust. This Agreement has been duly and validly executed and delivered by Stockholder and constitutes a valid and binding agreement of Stockholder, enforceable against Stockholder in accordance with its terms.

(c) Restriction on Transfer, Proxies and Non-Interference; Stop Transfer. Except as expressly contemplated by this Agreement, during the term of this Agreement, Stockholder shall not, directly or indirectly: (i) offer for sale, sell, transfer, tender, pledge, encumber, assign or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to, or consent to the offer for sale, sale, transfer, tender, pledge, encumbrance, assignment or other disposition of, any or all of the Stockholder Shares or any interest therein; (ii) grant any proxies or powers of attorney with respect to any Stockholder Shares which conflict with Section 3(a) hereof and the proxy granted herein or deposit any Stockholder Shares into a voting trust or enter into a voting agreement with respect to any Stockholder Shares; or (iii) take any action that would make any representation or warranty of Stockholder contained herein untrue or incorrect or have the effect of preventing or disabling Stockholder from performing any of Stockholder's obligations under this Agreement. Stockholder further agrees with and covenants to Parent that Stockholder shall not request that the Company register the transfer of any certificate or uncertificated interest representing any of the Stockholder Shares, unless such transfer is made in compliance with this Agreement. Stockholder agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent.

3

(d) No Consents. To his, her or its knowledge, the execution and delivery of this Agreement by Stockholder does not, and the performance by Stockholder of his, her or its obligations hereunder will not, require Stockholder to obtain any consent, approval, authorization or permit of, or to make any filing with or notification to, any Governmental Entity.

(e) Notification of Parent. Stockholder hereby agrees, while this Agreement is in effect, to notify Parent and Merger Sub promptly of the number of any additional shares of capital stock and the number and type of any other voting securities of the Company acquired by such Stockholder, if any, after the date hereof.

(f) Reliance by Parent and Merger Sub. Stockholder understands and acknowledges that Parent and Merger Sub are entering into the Merger Agreement in reliance upon Stockholder's execution and delivery of this Agreement.

(g) Sophistication. Stockholder acknowledges being an informed and sophisticated investor and, together with Stockholder's advisors, has undertaken such investigation as they have deemed necessary, including the review of the Merger Agreement and this Agreement, to enable the Stockholder to make an informed and intelligent decision with respect to the Merger Agreement and this Agreement and the transactions contemplated thereby and hereby.

(h) Permitted Transfers. Notwithstanding Section 5(c), any Stockholder that is a natural person shall have the right to transfer Stockholder Shares to (1) any Family Member; (2) the trustee or trustees of a trust for the benefit of Stockholder and/or one or more Family Members; (3) the executor, administrator or personal representative of the estate of Stockholder; or (4) any guardian, trustee or conservator appointed with respect to the assets of Stockholder; *provided* that in the case of any such transfer, the transferee shall, as a condition to such transfer, execute an agreement to be bound by the terms and conditions of this Agreement. "**Family Member**" means the Stockholder's spouse, father, mother, issue, brother or sister.

6. Termination. The voting agreement and proxy granted pursuant to Sections 2 and 3 hereof shall terminate immediately upon the earlier to occur of (a) the termination of the Merger Agreement in accordance with its terms, and (b) the Effective Time.

7. Miscellaneous.

(a) Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

(b) Assignment. This Agreement shall not be assigned by operation of law or otherwise without the prior written consent of the other party, and any attempted assignment in violation hereof shall be void; *provided, however,* that Parent may, in its sole discretion, assign its rights and obligations hereunder to any direct or indirect wholly-owned subsidiary of Parent.

(c) Amendments, Waivers, Etc. This Agreement may not be amended, changed, supplemented, waived or otherwise modified or terminated, except upon the execution and delivery of a written agreement executed by the parties hereto.

(d) Notices. Unless otherwise provided herein, any notice, request, instruction or other document to be given hereunder by any party to the other shall be in writing and shall be deemed to have been given (a) when delivered in person, (b) one (1) Business Day after depositing with an internationally recognized overnight courier, (c) on the date sent when delivered by facsimile transmission prior to the close of business on a Business Day and one (1) Business Day after facsimile transmission at any other time, or (d) five (5) Business Days after mailing by registered or certified mail, postage prepaid, return receipt requested, in each case, addressed as follows:

if to Parent or Merger Sub: ServiceMagic, Inc.  
14023 Denver West Pkwy, Suite 200  
Golden, CO 80401  
Attn: General Counsel  
Fax: (303) 963-8334

with a copy to: Gibson, Dunn & Crutcher LLP  
333 S. Grand Ave.  
Los Angeles, California 90071  
Attention: Karen E. Bertero  
Facsimile: (213) 229-7520

if to Stockholder, to: such address for Stockholder as set forth on the signature page hereto

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

(e) Severability. If any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable, this Agreement shall be considered divisible and inoperative as to such provision to the extent it is deemed to be illegal, invalid or unenforceable, and in all other respects this Agreement shall remain in full force and effect; *provided, however*, that if any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable, the parties agree to replace such provision with a provision that is legal, valid and enforceable and that will achieve, to the greatest extent possible, the economic, business and other purposes of such invalid or unenforceable provision. Further, should any provision contained in this Agreement ever be reformed or rewritten by any judicial body of competent jurisdiction, such provision as so reformed or rewritten shall be binding upon all parties hereto.

(f) No Waiver. The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

(g) Governing Law; Submission to Jurisdiction; Waivers; Consent to Service of Process; Waiver of Jury Trial. **This Agreement shall be deemed to be made in and in all respects shall be interpreted, construed and governed by and in accordance with the laws of**

the State of Delaware without regard to the conflict of law principles thereof. Each party hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by another party hereto or its successors or assigns shall be brought in the Court of Chancery in the State of Delaware to the fullest extent permitted by Applicable Law and, to the extent not so permitted, in any court sitting in the State of Delaware, and each of the parties hereto hereby (x) irrevocably submits with regard to any such action or proceeding for itself and in respect to its property, generally and unconditionally, to the exclusive personal jurisdiction of the aforesaid courts in the event any dispute arises out of this Agreement or any transaction contemplated hereby, (y) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (z) agrees that it will not bring any action relating to this Agreement or any transaction contemplated hereby in any court other than the aforesaid courts. Any service of process to be made in such action or proceeding may be made by delivery of process in accordance with the notice provisions contained in Section 7(d). Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) the defense of sovereign immunity, (b) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 7(g), (c) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), and (d) to the fullest extent permitted by Applicable Law that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper and (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. To the extent that a party to this Agreement is not otherwise subject to service of process in the State of Delaware, such party hereby appoints National Registered Agents, Inc., 9 East Loockerman Street, Suite 1B, Dover, DE 19901, as such party's agent in the State of Delaware for acceptance of legal process, and agrees that service made on such agent shall have the same legal effect as if served upon such party personally within the State of Delaware. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated hereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this section.

(h) Counterparts. This Agreement may be executed by facsimile and in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

(i) Further Assurances. At the request of any party to another party or parties to this Agreement, such other party or parties shall execute and deliver such instruments or documents to evidence or further effectuate (but not to enlarge) the respective rights and obligations of the parties and

(j) Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement was not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity without the necessity of demonstrating the inadequacy of monetary damages.

(k) Company Stop Transfer Agreement. The Company hereby acknowledges the restrictions on transfer of the Stockholder Shares contained in Section 5(c) hereof. The Company agrees not to register the transfer (book-entry or otherwise) of any certificate or uncertificated interest representing any Stockholder Shares, unless such transfer is made pursuant to and in compliance with this Agreement. The Company further agrees to instruct its exchange agent (the “**Exchange Agent**”) not to exchange any certificate or uncertificated interest representing any Stockholder Shares, until (i) the Exchange Agent has received Parent’s consent to such an exchange, or (ii) this Agreement has been terminated pursuant to Section 6 hereof.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, Parent, Merger Sub and Stockholder have caused this Agreement to be duly executed as of the day and year first above written.

**SERVICEMAGIC, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**SUNBELT ACQUISITION CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**STOCKHOLDER:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

ACKNOWLEDGED AND AGREED TO  
(with respect to Section 7(k)):

**IMPROVENET, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**PROXY  
AND  
VOTING AGREEMENT**

THIS PROXY AND VOTING AGREEMENT (this “**Agreement**”), dated as of June , 2005, is entered into by and between ServiceMagic, Inc., a Delaware corporation (“**Parent**”), and Sunbelt Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Parent (“**Merger Sub**”), on the one hand, and (“**Stockholder**”) on the other hand, and, with respect to Section 7(k) only, ImproveNet, Inc., a Delaware corporation (the “**Company**”).

**RECITALS**

WHEREAS, concurrently herewith, Parent, Merger Sub, and the Company have entered into an Agreement and Plan of Merger, of even date herewith (as such agreement may hereafter be amended from time to time in conformity with the provisions thereof, the “**Merger Agreement**”), pursuant to which Merger Sub will merge with and into the Company and the Company shall be the surviving corporation and become a wholly-owned subsidiary of Parent (the “**Merger**”);

WHEREAS, Stockholder is the beneficial owner (as defined below) of ( ) shares of common stock, \$0.001 par value per share, of the Company (such shares, together with all other shares of capital stock or other voting securities of the Company with respect to which the Stockholder has beneficial ownership as of the date of this Agreement, and any shares of capital stock or other voting securities of the Company, beneficial ownership of which is directly or indirectly acquired after the date hereof, including, without limitation, shares received pursuant to any stock splits, stock dividends or distributions, shares acquired by purchase or upon the exercise, conversion or exchange of any option, warrant or convertible security or otherwise, and shares or any voting securities of the Company received pursuant to any change in the capital stock of the Company by reason of any recapitalization, merger, reorganization, consolidation, combination, exchange of shares or the like, are referred to herein as the “**Stockholder Shares**”); and

WHEREAS, as an inducement and a condition to entering into the Merger Agreement, Parent and Merger Sub have requested that Stockholder agree, and Stockholder has agreed, to enter into this Agreement.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and the mutual premises, representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions. For the purposes of this Agreement, terms not defined herein but used herein and defined in the Merger Agreement shall have the meanings set forth in the Merger Agreement, unless the context clearly indicates otherwise.

2. Voting Agreement. Stockholder hereby agrees with Parent and Merger Sub that, at any meeting of the Company’s stockholders, however called, Stockholder shall appear at each such meeting, in person or by proxy, or otherwise cause all Stockholder Shares then outstanding to be counted as present thereat for purposes of establishing a quorum, and Stockholder shall vote, or cause to be voted (or in connection with any written consent of the Company’s stockholders, act, or cause to be acted, by written consent, if so permitted) with respect to all Stockholder Shares that Stockholder is entitled to vote or as to which Stockholder has the right to direct the voting, as of the relevant record date, (i) against any proposal that is intended to, or is reasonably likely to result in any of the conditions of the Parent’s or Merger Sub’s obligations under the Merger Agreement not being fulfilled; and (ii) against (A) any Takeover Proposal (as defined in the Merger Agreement), or (B) the election of a group of individuals to replace a majority or more of the individuals presently on the Board of Directors of the Company; *provided* that if one or more individuals presently on the Board of Directors withdraws his or her nomination for reelection at any meeting of stockholders for the election of directors, Stockholder may vote for a replacement director nominated by the Company’s Board of Directors for such individual(s).

3. Proxy.

(a) Stockholder hereby irrevocably (but subject to the termination provisions of Section 6 hereof) constitutes and appoints Merger Sub, which shall act by and through Rodney Rice and Lee Spiegler (each, a “**Proxy Holder**”), or either of them, with full power of substitution, its true and lawful proxy and attorney-in-fact to vote at any meeting (and any adjournment or postponement thereof) of the Company’s stockholders called for purposes of considering whether to approve any Takeover Proposal or any other transaction described in Section 2 hereof, or to execute a written consent of stockholders in lieu of any such meeting (if so permitted), all Stockholder Shares held by Stockholder of record as of the relevant record date against any Takeover Proposal or any other action described in Section 2(iii)(B) hereof.

(b) The proxy and power of attorney granted herein shall be deemed to be coupled with an interest sufficient in law to support a proxy and shall revoke all prior proxies granted by Stockholder which conflict with the proxy granted herein. Stockholder will take such further action or execute such other instruments as may be necessary to effectuate the intent of this proxy and power of attorney. Stockholder shall not grant any proxy to any person which conflicts with the proxy granted herein, and any attempt to do so shall be void. The power of attorney granted herein is a durable power of attorney and shall survive the insolvency, incapacity, death or liquidation of Stockholder, as the case may be.

(c) If Stockholder fails for any reason to vote his, her or its Stockholder Shares as required by Section 2 hereof, then the Proxy Holder shall have the right to vote the Stockholder Shares at any meeting of the Company’s stockholders and in any action by written consent of the Company’s stockholders in accordance with this Section 3. The vote of a Proxy Holder shall control in any conflict between a vote of such Stockholder Shares by a Proxy Holder and a vote of such Stockholder Shares by Stockholder with respect to the matters set forth in Section 3(a) hereof.

4. Director and Officer Matters Excluded. Parent and Merger Sub acknowledge and agree that no provision of this Agreement shall limit or otherwise restrict Stockholder with respect to any act or omission that Stockholder may undertake or authorize in Stockholder's capacity as a director or officer of the Company, including, without limitation, any vote that Stockholder may make as a director or officer of the Company with respect to any matter presented to the Company Board.

5. Other Covenants, Representations and Warranties. Stockholder hereby represents and warrants to, and covenants with, Parent and Merger Sub as follows:

(a) Title to Stockholder Shares. Stockholder is the "beneficial owner" (as such term is defined in Rule 13(d)(3) promulgated under the Exchange Act, "**beneficial owner**") of all the Stockholder Shares. Except as set forth in Annex 1, attached hereto, Stockholder has sole voting power and the sole power of disposition with respect to all of the Stockholder Shares outstanding on the date hereof, and will have sole voting power and sole power of disposition with respect to all of the Stockholder Shares acquired by such Stockholder after the date hereof upon the exercise, conversion or exchange of any option, warrant or convertible security owned or held by Stockholder as of the date hereof, with no limitations, qualifications or restrictions on such rights. Stockholder is the sole record holder (as reflected in the records maintained by the Company's transfer agent) of the Stockholder Shares outstanding on the date hereof.

(b) Power; Binding Agreement. Stockholder has the legal capacity, power and authority to enter into and perform all of Stockholder's obligations under this Agreement. The execution, delivery and performance of this Agreement by Stockholder will not violate any agreement or court order to which Stockholder is a party or is subject, including, without limitation, any voting agreement or voting trust. This Agreement has been duly and validly executed and delivered by Stockholder and constitutes a valid and binding agreement of Stockholder, enforceable against Stockholder in accordance with its terms.

(c) Restriction on Transfer, Proxies and Non-Interference; Stop Transfer. Except as expressly contemplated by this Agreement, during the term of this Agreement, Stockholder shall not, directly or indirectly: (i) offer for sale, sell, transfer, tender, pledge, encumber, assign or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to, or consent to the offer for sale, sale, transfer, tender, pledge, encumbrance, assignment or other disposition of, any or all of the Stockholder Shares or any interest therein; (ii) grant any proxies or powers of attorney with respect to any Stockholder Shares which conflict with Section 3(a) hereof and the proxy granted herein or deposit any Stockholder Shares into a voting trust or enter into a voting agreement with respect to any Stockholder Shares; or (iii) take any action that would make any representation or warranty of Stockholder contained herein untrue or incorrect or have the effect of preventing or disabling Stockholder from performing any of Stockholder's obligations under this Agreement. Stockholder further agrees with and covenants to Parent that Stockholder shall not request that the Company register the transfer of any certificate or uncertificated interest representing any of the Stockholder Shares, unless such transfer is made in compliance with this Agreement. Stockholder agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent.

3

(d) No Consents. To his, her or its knowledge, the execution and delivery of this Agreement by Stockholder does not, and the performance by Stockholder of his, her or its obligations hereunder will not, require Stockholder to obtain any consent, approval, authorization or permit of, or to make any filing with or notification to, any Governmental Entity.

(e) Notification of Parent. Stockholder hereby agrees, while this Agreement is in effect, to notify Parent and Merger Sub promptly of the number of any additional shares of capital stock and the number and type of any other voting securities of the Company acquired by such Stockholder, if any, after the date hereof.

(f) Reliance by Parent and Merger Sub. Stockholder understands and acknowledges that Parent and Merger Sub are entering into the Merger Agreement in reliance upon Stockholder's execution and delivery of this Agreement.

(g) Sophistication. Stockholder acknowledges being an informed and sophisticated investor and, together with Stockholder's advisors, has undertaken such investigation as they have deemed necessary, including the review of the Merger Agreement and this Agreement, to enable the Stockholder to make an informed and intelligent decision with respect to the Merger Agreement and this Agreement and the transactions contemplated thereby and hereby.

(h) Permitted Transfers. Notwithstanding Section 5(c), any Stockholder that is a natural person shall have the right to transfer Stockholder Shares to (1) any Family Member; (2) the trustee or trustees of a trust for the benefit of Stockholder and/or one or more Family Members; (3) the executor, administrator or personal representative of the estate of Stockholder; or (4) any guardian, trustee or conservator appointed with respect to the assets of Stockholder; *provided* that in the case of any such transfer, the transferee shall, as a condition to such transfer, execute an agreement to be bound by the terms and conditions of this Agreement. "**Family Member**" means the Stockholder's spouse, father, mother, issue, brother or sister. In addition, notwithstanding Section 5(c), if the Merger Agreement is terminated in accordance with its terms, Stockholder may sell Stockholder Shares in open market transactions so long as such sale is not pursuant to, or in connection with, a Takeover Proposal, and so long as such sale, together with all other sales by Stockholder and the other stockholders of the Company, does not result in any person or group of related persons acquiring in any manner, directly or indirectly, a majority equity interest in, or any voting securities representing at least a majority of the voting interests of, the Company or any of its subsidiaries, whether or not presented as a Takeover Proposal.

6. Termination. The voting agreement and proxy granted pursuant to Sections 2 and 3 hereof shall terminate immediately upon the earlier to occur of (a) eighteen (18) months after the date hereof, and (b) the Effective Time.

7. Miscellaneous.

(a) Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

(b) Assignment. This Agreement shall not be assigned by operation of law or otherwise without the prior written consent of the other party, and any attempted assignment in

violation hereof shall be void; *provided, however*, that Parent may, in its sole discretion, assign its rights and obligations hereunder to any direct or indirect wholly-owned subsidiary of Parent.

(c) Amendments, Waivers, Etc. This Agreement may not be amended, changed, supplemented, waived or otherwise modified or terminated, except upon the execution and delivery of a written agreement executed by the parties hereto.

(d) Notices. Unless otherwise provided herein, any notice, request, instruction or other document to be given hereunder by any party to the other shall be in writing and shall be deemed to have been given (a) when delivered in person, (b) one (1) Business Day after depositing with an internationally recognized overnight courier, (c) on the date sent when delivered by facsimile transmission prior to the close of business on a Business Day and one (1) Business Day after facsimile transmission at any other time, or (d) five (5) Business Days after mailing by registered or certified mail, postage prepaid, return receipt requested, in each case, addressed as follows:

if to Parent or Merger Sub:                    ServiceMagic, Inc.  
14023 Denver West Pkwy, Suite 200  
Golden, CO 80401  
Attn: General Counsel  
Fax: (303) 963-8334

with a copy to:                                    Gibson, Dunn & Crutcher LLP  
333 S. Grand Ave.  
Los Angeles, California 90071  
Attention: Karen E. Bertero  
Facsimile: (213) 229-7520

if to Stockholder, to:                            such address for Stockholder as set forth on the signature page hereto

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

(e) Severability. If any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable, this Agreement shall be considered divisible and inoperative as to such provision to the extent it is deemed to be illegal, invalid or unenforceable, and in all other respects this Agreement shall remain in full force and effect; *provided, however*, that if any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable, the parties agree to replace such provision with a provision that is legal, valid and enforceable and that will achieve, to the greatest extent possible, the economic, business and other purposes of such invalid or unenforceable provision. Further, should any provision contained in this Agreement ever be reformed or rewritten by any judicial body of competent jurisdiction, such provision as so reformed or rewritten shall be binding upon all parties hereto.

(f) No Waiver. The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by

such party of its right to exercise any such or other right, power or remedy or to demand such compliance.

(g) Governing Law; Submission to Jurisdiction; Waivers; Consent to Service of Process; Waiver of Jury Trial. **This Agreement shall be deemed to be made in and in all respects shall be interpreted, construed and governed by and in accordance with the laws of the State of Delaware without regard to the conflict of law principles thereof. Each party hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by another party hereto or its successors or assigns shall be brought in the Court of Chancery in the State of Delaware to the fullest extent permitted by Applicable Law and, to the extent not so permitted, in any court sitting in the State of Delaware, and each of the parties hereto hereby (x) irrevocably submits with regard to any such action or proceeding for itself and in respect to its property, generally and unconditionally, to the exclusive personal jurisdiction of the aforesaid courts in the event any dispute arises out of this Agreement or any transaction contemplated hereby, (y) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (z) agrees that it will not bring any action relating to this Agreement or any transaction contemplated hereby in any court other than the aforesaid courts. Any service of process to be made in such action or proceeding may be made by delivery of process in accordance with the notice provisions contained in Section 7(d). Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) the defense of sovereign immunity, (b) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 7(g), (c) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), and (d) to the fullest extent permitted by Applicable Law that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper and (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. To the extent that a party to this Agreement is not otherwise subject to service of process in the State of Delaware, such party hereby appoints National Registered Agents, Inc., 9 East Lookerman Street, Suite 1B, Dover, DE 19901, as such party's agent in the State of Delaware for acceptance of legal process, and agrees that service made on such agent shall have the same legal effect as if served upon such party personally within the State of Delaware. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated hereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this section.**

(h) Counterparts. This Agreement may be executed by facsimile and in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

(i) Further Assurances. At the request of any party to another party or parties to this Agreement, such other party or parties shall execute and deliver such instruments or documents to evidence or further effectuate (but not to enlarge) the respective rights and obligations of the parties and to evidence and effectuate any termination of this Agreement.

(j) Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement was not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity without the necessity of demonstrating the inadequacy of monetary damages.

(k) Company Stop Transfer Agreement. The Company hereby acknowledges the restrictions on transfer of the Stockholder Shares contained in Section 5(c) hereof. The Company agrees not to register the transfer (book-entry or otherwise) of any certificate or uncertificated interest representing any Stockholder Shares, unless such transfer is made pursuant to and in compliance with this Agreement. The Company further agrees to instruct its exchange agent (the "**Exchange Agent**") not to exchange any certificate or uncertificated interest representing any Stockholder Shares, until (i) the Exchange Agent has received Parent's consent to such an exchange, or (ii) this Agreement has been terminated pursuant to Section 6 hereof.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, Parent, Merger Sub and Stockholder have caused this Agreement to be duly executed as of the day and year first above written.

**SERVICEMAGIC, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**SUNBELT ACQUISITION CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**STOCKHOLDER:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

ACKNOWLEDGED AND AGREED TO  
(with respect to Section 7(k)):

**IMPROVENET, INC.**

By: \_\_\_\_\_  
Name:  
Title: