



Pay Per Form

Guide to Pay Per Form Programs

Prepared by: LinkShare Corporation
Last Updated: July 2002

Overview

Compensating your affiliates for completed forms can be an effective way to capture valuable customer information and drive revenue. However, “per form” transactions* must be managed prudently in order to maximize performance and safeguard against invalid activity. This document will discuss the following topics to help you proactively manage your program:

- **Per Form Guidelines for Reducing Invalid Activity (page 3)** - An overview of several easy-to-implement procedures that many LinkShare per form merchants already employ. Specifically, we strongly suggest you:
 1. Set a compelling yet prudent offer.
 2. Manually approve affiliates.
 3. Review online reports regularly.
 4. Take internal security precautions.
 5. Remove affiliate offenders.
- **Sample Contract Provisions for Pay Per Form Offers (page 9)** - suggested legal terms that you should include in your affiliate agreements after consulting with your own legal advisors.

Please review these documents carefully. If you have any questions regarding these materials and suggested policies, please contact your LinkShare representative or email us at clientsupport@linkshare.com.

*Please note that the term “per form” is used throughout this document to refer to programs that compensate based on completed forms, registrations, orders or other desired actions, not including sales or click-throughs.



Per Form Guidelines for Reducing Invalid Activity

In an effort to reduce the possibility of invalid forms, LinkShare encourages you to implement the following best practices, based on our experience working with numerous per form merchants in the Network. We are confident that taking the time to safeguard against invalid forms up front minimizes time and effort validating activity going forward and improves relations with your affiliate partners in the process. Please read this document carefully and contact your service representative or clientsupport@linkshare.com if you have any questions.

Set a Compelling Yet Prudent Offer

- **Define Valid Forms** - Make sure that the legal terms and conditions in your Affiliate Agreement clearly define a valid, commissionable form or form completion. See the Sample Contract Provisions for Pay Per Form Offers for further details. In addition, we recommend that you structure your agreement so that it allows you to terminate your affiliate relationships as needed.
- **Establish a Prudent Offer** - When setting your baseline offer, consider your goals and budget as well as your competitive position. Benchmark your offer against your competitors and other per form programs to ensure that your offer is compelling, yet prudent. See page 8 for a list of average per form offers in the Network. Some per form merchants choose to compensate their affiliate partners based on multiple actions, such as a completed form and an approved application; structuring your offer in this manner can reduce instances of invalid activity.

Manually Approve Affiliates

As a merchant, you must first determine the type of customer that you want to drive to your site and then assess each prospective affiliate based on your criteria. LinkShare strongly encourages you to manually approve each affiliate that applies to your program. Auto-approval should not be used. The manual approval process gives you the opportunity to thoroughly examine a site and reject inappropriate business partners, thus limiting suspicious activity. To de-activate the auto-approval feature, follow these steps:

1. Go to the "Program Offer Management" section of the Merchant Interface.
2. Click on "Calendar - View/Modify Terms."
3. Click on your baseline offer.
4. Review your Program Basics to see if "Automatic Approved" displays "Yes" or "No".



5. If “Yes”, click “Modify Program Basics,” and then change the dropdown menu to “No” for the “Automatic Approved” field.
6. Click “Submit Changes” and then “Confirm”.

When examining prospective affiliates, pay particular attention to potential “red flags”. For example, some per form merchants are wary of sites with only one or two merchant partners, while others avoid those that are internationally based.

Of course, spending more time on the affiliate approval process may require additional resources in order to work through the affiliate application queue in a timely fashion. To help streamline the affiliate approval process and improve the quality of applicants, LinkShare introduced the “Affiliate Application Filter”. This feature permits you to screen affiliates based on the information they provide when registering in the Network. For instance, you can filter applicants from home page-only sites, specific foreign countries, or from certain site categories. The “Affiliate Application Filter” can be found in the “Affiliates” section of the Merchant Interface. See the “Online User Manual” in your merchant account for instructions on using this feature.

Review Online Reports Regularly

- **Sales and Activity Report** - One of the best ways to uncover invalid activity is also one of the most basic: run the Sales and Activity Report regularly. Doing so will allow you to spot suspiciously high conversion rates before invalid registrations can accumulate. Please complete the following steps:
 1. Go to the “Reports” section of the merchant interface and select any one of the three versions of the “Sales and Activity Report” from the drop down menu.
 2. Run the report for the desired time period.
 3. Sort affiliates according to conversion rates by double clicking on the “O/C” header.
 4. Examine affiliates with conversion rates higher than average by double clicking on the affiliate name and visiting the Web site.
 5. Either follow-up with additional research or suspend/remove suspicious affiliates from your program (see section below).
- **Invalid Activity Report** - If you detect or suspect an affiliate of generating invalid forms, a good next step is to run an IP Report (do this by selecting “IP Report” from the “Account” section of the merchant interface). Simply type in the affiliate’s ID and input the date range to generate three separate reports, two of which are helpful indicators of potentially invalid activity.



The first, the IP Report, provides a list of Internet Protocol addresses of all the computers that have clicked through the affiliate's links. Clicking on the IP address within the report allows you to drill down to the date, Visitor ID, and referring URL. In the case of invalid activity, you may notice a significant number of entries for the same Visitor ID and/or same URL within a short period of time. Keep in mind that a high number of click-throughs may not necessarily indicate a high number of submitted forms or fraudulent activity. (For instance, click-throughs from certain member sites, such as AOL, will appear to come from the same IP address.)

The second report, The Visitor ID Report, lists all of the unique locations from which a click was generated in a given time period. If you notice a significant amount of click-throughs for one particular Visitor ID over a short period of time, this could be a sign of invalid activity. Again, keep in mind that a high number of click-throughs may not necessarily indicate a high number of submitted forms or invalid activity. (For instance, if an affiliate sends an email to 2mm end users and 1% convert, that would yield 20,000 completed forms in a short time frame.)

Take Internal Security Precautions

- **Internal Checks and Balances** - If you are serious about decreasing invalid activity, discuss these modifications to your back end system with your technical staff:
 1. Alter your forms to make it harder to use Java scripts or other programs designed to automate individual responses. A system can be implemented to ensure that entries contain certain fields that "make sense" (e.g. dot com address has an "@" and a ".").
 2. Check for duplicate email addresses. Validate a mailing address to ensure that city, state and zip codes match as entered.
 3. Set up an email verification program, where each registrant must respond to a confirmation email before being considered a commissionable transaction.
 4. Comb through submitted form data for irregularities, either manually or by using an automated script. To minimize resources, manually review only those registrations flagged during examination of an IP Report. Automated scripts can be set up to search for duplicate names, email addresses, or multiple submissions within a set period of time. Several LinkShare merchants delay submitting their LSTrans by one day while this process occurs.



In addition, we suggest you keep on top of the latest advances in invalid activity protection by regularly reading online marketing columns and articles, such as an article written by ClickZ columnist Shawn Collins entitled, *Fraud: An Affiliate Epidemic*.

Remove Affiliate Offenders

- **Suspending Affiliates** - If you suspect that an affiliate is generating invalid forms, but believe that further investigation is required, then you can temporarily remove that affiliate pending completion of your investigation (check to ensure you have authority to do this in your affiliate agreement). To do so, complete the following steps:
 1. In the "Affiliate Management" section, enter the affiliate name or ID number in the "Find Individual Affiliate" query.
 2. When the affiliate's name appears, click "Remove" in the "Action for Affiliates" row.
 3. Select the "Temp" radio button to temporarily remove the affiliate.

Note that affiliates who have been temporarily removed will be able to reapply to your program after two weeks, so please plan your investigative process accordingly (particularly if you auto-approve your partners).

- **Notifying Affiliates** - If you have taken the security precautions outlined above and have a reasonable basis for concluding that an affiliate has generated invalid forms, then you should exercise any right you have under your own contract to permanently remove that affiliate from your program.

Please note that any dispute between you and an affiliate regarding program activity must be resolved by you and that affiliate. However, upon request, LinkShare will provide to you and the affiliate any data in its possession that is reasonably relevant to that dispute (provided that no violation of any confidentiality obligation or privacy right would result).

Finally, LinkShare recommends that your affiliate contract terms be written in such a way as to enable you to suspend or terminate any affiliate who is suspected or known to be generating invalid forms. See page 9 to review sample contract provisions for per form offers.

Note



Given the characteristics of the Web, it is impossible to completely eliminate invalid forms or other abuses. Accordingly, while we may from time to time provide, use, or recommend "best practices," suggestions or other tools that are intended to help you minimize invalid forms, we do not guarantee or warrant the effectiveness of those tools or undertake any liability relating to the tools or their use. As you know, affiliates are independent businesses or individuals whom LinkShare does not control, and we are not responsible or liable for the acts or omissions of affiliates.



Per Form Averages in the Network, by Merchant Category

In order to minimize invalid activity, we recommend that merchants avoid making offers that deviate significantly from the average in their category.

Category	Range	Average
Automotive	\$4 - \$40	\$21.30
Business & Career	\$1 - \$50	\$15.10
Clothing & Accessories	\$.4 - \$.5	\$1.90
Computers & Electronics	\$10 - \$170	\$90
Education	-	\$5
Entertainment	\$.08 - \$.15	\$5.30
Family	\$3 - \$8	\$6
Financial Services	\$1 - \$150	\$28.40
Food & Drink	\$.03 - \$.10	\$5
Hobbies & Collectibles	\$1 - \$6	\$3.60
Home & Living	-	\$15
Loyalty	\$.05 - \$.10	\$2.20
Multi-category	\$.50 - \$.8	\$3.20
Office	-	\$10
Portal	\$.45 - \$.1	\$.73
Sports & Fitness	-	\$1
Telecommunications	\$1 - \$25	\$8.10
Travel	\$.40 - \$.12	\$4.40

Source: LinkShare Corporation, April 2001



Sample Contract Provisions for Pay-Per-Form Offers

If you are a merchant in the LinkShare Network® who offers a Pay Per Form" commission structure to Network affiliates, it is important that the agreement you use to enroll affiliates in your affiliate program and the offers you make to affiliates include terms that help you deal with invalid activity. The following are some samples of the kinds of provisions that we strongly recommend for inclusion in your affiliate agreements or offer terms.

The samples are intended only as examples, and may not be appropriate for the specifics of your program or satisfy the specific legal requirements that apply to your program or your form of affiliate agreements. You should carefully read the samples and, with the assistance of your own legal counsel, adapt them as you and your counsel deem necessary or advisable to meet your specific business needs and the laws that may apply to you and your affiliate agreement.

Naturally, it is our expectation that merchants will exercise the broad discretion granted by the sample provisions reasonably, fairly and in good faith. That is good business policy, since the success of each merchant's affiliate program is very closely tied to maintaining the good will of affiliates in your program.

LinkShare provides the samples solely as a convenience for Network merchants, and makes no representation or warranty of any kind in relation to the samples, including, but not limited to, any representation that the samples are fair or complete, comply with or are enforceable under applicable law or are adequate to protect or serve the interests of any user of the samples. LinkShare does not undertake any duty to update the samples or any other duty or any liability regarding the samples or their use by any person. Use of the samples is entirely at the user's own risk, and if you use the samples you thereby agree to release LinkShare from all claims and liabilities, existing or future and known or unknown, arising out of such use. **To the fullest extent permitted by applicable law, You hereby waive the application all existing and future laws that may limit the efficacy of such release, including, without limitation, California Civil Code Section 1542 and any similar, comparable or equivalent law of any state or territory of the United States or principle of common law. California Civil Code Section 1542, which is waived, says: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."**

YOU SHOULD CONSULT YOUR OWN LEGAL COUNSEL BEFORE USING THE SAMPLES.

This document is a copyrighted work belonging to LinkShare Corporation. You are permitted to access, copy, download and modify the samples solely for the purpose of your affiliate marketing program operated through the Network and your permission to use the samples will terminate if and when your membership in the Network ends. The samples may not be used for any other purpose, including, but not limited to, in an agreement for transactions that are not conducted through the Network.

TERMS WE USE IN THESE SAMPLES

The samples are provisions intended to be used in a more comprehensive form of contract that each Network Merchant uses to enroll Affiliates in its affiliate program. The samples use capitalized terms that would be defined in that contract. The samples use the term "Merchant" or "We" or "Our" to refer to the Network merchant using the sample language in its contract for its affiliate program and use the term "Affiliate" or "You" or "Your" to refer to a Network affiliate that joins the Merchant's program. The samples also use the term "Network" to refer to The LinkShare Network®, the term "Link Offer" to mean an offer



a Network merchant makes to pay affiliates to carry the Merchant's link and the term "Engagement" to mean an online or other agreement between a merchant and an affiliate that defines their respective rights and obligations with regard to an accepted Link Offer. The term "Program" refers to your affiliate program conducted through the Network and the term "Program Site" refers to your Website to which your links displayed or distributed by your affiliates lead. The term "Qualifying Link" is intended to mean a *hyperlink* to your Program Site designated for a particular Link Offer that is included in advertising or promotional material, which you provide for such purpose, that an affiliate posts on its Website authorized to be used in the Network and your Program or, if authorized, otherwise distributes and that is created, established and maintained in accordance with LinkShare technical and other instructions.

Of course, each merchant using the samples should work with its own lawyers to ensure that the samples use the defined terms used in, and otherwise are consistent with, its own contract and offer forms.

AFFILIATES SHOULD EXPRESSLY PROMISE TO NOT ARTIFICIALLY INFLATE COMPENSATED ACTIONS

SAMPLE:

Section __. Generating Invalid Compensated Actions is Prohibited.

(a) You covenant and agree that You shall not place or use any of Our links, advertisements or promotions except with the intention of delivering valid sales, leads, accounts or click-throughs or other activities, actions or events of the kinds for which we offer You compensation, or engage in any conduct, activity, action or practice (including, without limitation, use of any software, program, device or technology) to artificially inflate the number of leads, account applications, registrations, click-throughs or other compensated actions.

(b) Without limiting the generality of any other provision of this Agreement, if We determine or suspect in good faith that any Affiliate has violated subsection (a) or otherwise engaged in any conduct, activity, action or practice that is inconsistent with the terms, spirit or intent of such offer or this Agreement or undertaken for the purpose of artificially inflating compensated actions, We, in our discretion and in addition to any other rights or remedies available to Us, may (i) suspend or terminate such Affiliate's participation in any and all of our programs, (ii) withhold or deny any or all commission payments otherwise due or becoming due in respect of any or all click offers or other Link Offers or Engagements and/or (iii) require such Affiliate to repay any or all compensation previously received for any or all clicks. **Such conduct, activities, actions or practices may also result in referral to the appropriate law enforcement agencies for investigation and prosecution.**

(c) We may inform LinkShare and others of the identities of Affiliates that We suspect in good faith of engaging in any abusive, fraudulent or bad faith conduct, activities, actions and practices and of the kinds of such suspected conduct, activities, actions or practices. You agree that LinkShare may terminate an Affiliate's membership in the Network based on such information and/or provide such information to other Network merchants. Neither LinkShare nor We shall be responsible for any use of such information made by any person to whom it is disclosed or liable for any such disclosure or use or any consequences of such disclosure or use.

RESERVE THE RIGHT TO ESTABLISH QUALIFICATIONS FOR ELIGIBLE AFFILIATES

SAMPLE:

Section __. Eligibility Requirements; Limits on Commissions. We reserve the right to establish and change, at any time and from time to time, either or both of the following:

- (i) Eligibility requirements for Affiliates allowed to participate in our program or any individual or type of Link Offer.
- (ii) Limits on the amount or number of compensated actions attributable to links with any single Affiliate (and its related parties and agents) or Affiliates within certain categories that we define for which we will pay commissions. For example, and without limitation, we may state that We will pay for only a specified maximum number of compensated actions during a month that result from a link with any single Website (or group of Websites under common control), so that no payment will be made for actions in excess of the limit. The limit might be different for different Affiliates, based on the kind or amount of normal visitor traffic or other criteria we select or as a result of an application by a specific affiliate for a higher limit that we approve.

We will give notice of any eligibility requirements by a posting on our Website or on the Website used by LinkShare, in the relevant Link Offer, by e-mail or by any other reasonable means we select. If we do so, then by participating in the Program or Link Offer to which those requirements apply, You shall represent and warrant to us that You satisfy such requirements. We will



give similar notice of any limits on compensated actions. You are responsible for regularly checking the areas of our Website and the Network Website for notices of this kind, but if we post or otherwise communicate a notice to You as contemplated above, then You will be subject to the eligibility requirements or limits referred to in the notice, whether or not You actually view the notice.

DEFINING THE ACTIONS YOU WILL PAY FOR

Preliminary Note: Your arrangements with your affiliates, including your obligation to pay them commissions or other compensation, are contractual in nature. It is critical, therefore, that your contracts with affiliates carefully specify all conditions that must be satisfied before an affiliate earns a commission. LinkShare merchants take different approaches to the compensation offers they make to affiliates. Most merchants have an online form of agreement or terms and conditions for their affiliate programs that they require affiliates who join their programs to accept. Some merchants build into that general form the precise terms of the commission deals they offer to affiliates. For example, they will state in the general form that they will pay a specified dollar amount for a specified kind of action that results from a link. Other merchants take a more flexible approach and say that they will make offers from time to time that will contain the details, such as commission rates and the definition of the kinds of compensated actions. The merchants who take the latter approach publish offers that contain the details and, when that offer is accepted by an affiliate to whom it is directed, a contract is formed that consists of a combination of the general terms of the form of online agreement and the specific terms of the offer.

If you take the first approach of including your specific compensation terms in your form of online agreement for affiliates, then the recommendations that follow apply to the text of that online agreement. If you take the second approach of placing specific compensation terms in the link offers you make from time to time, then the recommendations apply to the text of each such offer you make. Again, it is essential that you consult with your own legal advisors to determine the right way to implement our recommendations.

Pay-per-form offers can be structured in many ways. For example, a merchant may offer a fee for each time an application or other form is completed and submitted as a result of a referral through an Affiliate link. Alternatively, the merchant may offer compensation only if the merchant approves the application, if a new customer completes the application or form or if other conditions specified by the merchant are satisfied. Other structures are possible, and there is no single set of contract provisions that will serve for all possible purposes; however, to give some sense of how certain types of pay-per-form offers might be drafted, the following samples are provided. The samples do not include other kinds of provisions affecting entitlement to payment that you may wish to include, such as minimum payment amounts. They also do not provide for "return days" and would have to be adapted if you allow return days.

The samples may not be appropriate for your specific needs, and you should consult with your own legal advisors to draft provisions that meet your needs and concerns. The important thing is to make sure that you consider, in light of your business plan for your affiliate program, the kinds of activities by Web users who visit your site through an affiliate link that are valuable to you, identify the factors that distinguish the activities you value from those you do not and be sure that the contract or offer provisions you and your own lawyers prepare are carefully drafted to reflect the distinguishing factors and to clearly state that compensation is earned only for the activities generated by affiliate links that meet your specifications.

LinkShare recommends that you regularly review and update your contract and offer terms to reflect your experience with your program and changes in applicable law.

SAMPLES:

SAMPLE 1: Fixed Fee For Simple Registration or Form Completion.

Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$_____ each time that a person (i) visits our Program Site after activating a Qualifying Link that You make available in a manner authorized by this Agreement and (ii) during that visit properly submits, on the Program Site, a properly completed _____¹ in the form we require from time to time. This Agreement sometimes uses the term "**compensated action**" to refer to the completion or satisfaction of the foregoing actions, events, conditions or requirements that entitle you to a referral fee. A "person" is a natural person or a legal entity and, therefore, if the specified action is taken by any means (including, without limitation, a computer program or device) other than the act of a natural person or an individual representing a legal entity, no qualifying compensated action shall have occurred. Any determination of whether a compensated action is *bona fide*, valid or otherwise entitles You to payment made by Us in good faith will be final and conclusive.

Note 1: Insert language sufficient to specify the kind of registration or other form that must be completed to qualify for payment. If you wish to pay compensation only if the person or entity completing the form has not previously submitted the form, the first sentence of the above example could be revised to read as follows:



"Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$_____ each time that an individual or legal entity (i) visits our Program Site after activating a Qualifying Link that You make available in a manner authorized by this Agreement, (ii) during that visit properly submits, on the Program Site, a properly completed _____ [insert description of item to be completed by visitor] in the form we require from time to time and (iii) has not previously completed such _____ [repeat description of the item to be completed by the visitor]."

SAMPLE 2: Fixed Fee For New Account.

Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$_____ for each *bona fide* New Account (as defined below) opened. A "New Account" is opened if (i) a person visits our Program Site after activating a Qualifying Link that You make available in a manner authorized by this Agreement, (ii) during that visit properly submits, on the Program Site, a properly completed application to open a _____¹ account with Us in the form we require from time to time, (iii) such application is accepted by Us, in Our discretion and (iv) such account is such person's first such account with Us. This Agreement sometimes uses the term "**compensated action**" to refer to the completion or satisfaction of the foregoing actions, events, conditions or requirements that entitle you to a referral fee. A "person" is a natural person or a legal entity and, therefore, if the specified action is taken by any means (including, without limitation, a computer program or device) other than the act of a natural person or an individual representing a legal entity, no qualifying compensated action shall have occurred. Any determination of whether a compensated action is *bona fide*, valid or otherwise entitles You to payment made by Us in good faith will be final and conclusive.

Note 1: Insert language sufficient to specify the kind of account for which you are willing to pay. For example, "securities trading account."

SAMPLE 3: Fixed Fee For New Customer.

Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$_____ for each *bona fide* New Customer (as defined below). A "New Customer" is a person who (i) visits our Program Site after activating a Qualifying Link you make available in a manner authorized by this Agreement and, during that visit, _____¹, and (ii) has not previously completed a transaction or activity with us described in clause (i). This Agreement sometimes uses the term "**compensated action**" to refer to the completion or satisfaction of the foregoing actions, events, conditions or requirements that entitle you to a referral fee. A "person" is a natural person or a legal entity and, therefore, if the specified action is taken by any means (including, without limitation, a computer program or device) other than the act of a natural person or an individual representing a legal entity, no qualifying compensated action shall have occurred. Any determination of whether a compensated action is *bona fide*, valid or otherwise entitles You to payment made by Us in good faith will be final and conclusive.

Note 1: Insert a description of the action that qualifies a person as a "customer," such as a purchase of a product or service. To the extent that there are qualifications, be sure to state those. For example, if the customer must purchase a product that is not returned within the time period during which you authorize customer returns, you should make that requirement clear.

SAMPLE 4: Fixed Fee For Specified Action, Other than a Product Sale or a New Account or a New Customer.

Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$_____ if (i) a person visits our Program Site after activating a Qualifying Link you make available in a manner authorized by this Agreement, and (ii) during that visit, such person _____¹. This Agreement sometimes uses the term "**compensated action**" to refer to the completion or satisfaction of the foregoing actions, events, conditions or requirements that entitle you to a referral fee. A "person" is a natural person or a legal entity and, therefore, if the specified action is taken by any means (including, without limitation, a computer program or device) other than the act of a natural person or an individual representing a legal entity, no qualifying compensated action shall have occurred. Any determination of whether a compensated action is *bona fide*, valid or otherwise entitles You to payment made by Us in good faith will be final and conclusive.

Note 1: There are a number of ways in which the blank might be completed. These are some examples:

Example 1: "fully completes and properly submits to us, in accordance with our instructions, our form of online application for _____ [insert the appropriate reference--e.g., our



Example 2: EZCredit credit card]"
"opens an email account"

SAMPLE 5: Fixed Fee for Specified Action, With Special Condition. Some merchants offer a fixed fee for a specified action that results from a Qualifying Link, subject to some additional contingency that must occur before the affiliate become entitled to compensation. For example, a merchant offering travel services might offer a referral fee if someone books travel on its site and then completes and pays for the travel. It is impractical to give examples of all of the possible variations of this kind of offer, but the following is provided for illustrative purposes.

Subject to the terms and conditions of this Agreement, we shall pay You, solely in Your capacity as one of our Affiliates in our Program, a fee (a "**referral fee**") equal to \$____ if (i) a person visits our Program Site after activating a Qualifying Link you make available in a manner authorized by this Agreement, (ii) during that visit, such person _____¹ and (iii) such person thereafter _____.² This Agreement sometimes uses the term "**compensated action**" to refer to the completion or satisfaction of the foregoing actions, events, conditions or requirements that entitle you to a referral fee. A "person" is a natural person or a legal entity and, therefore, if the specified action is taken by any means (including, without limitation, a computer program or device) other than the act of a natural person or an individual representing a legal entity, no qualifying compensated action shall have occurred. Any determination of whether a compensated action is *bona fide*, valid or otherwise entitles You to payment made by Us in good faith will be final and conclusive.

Note 1: There are a number of ways in which the blank might be completed. These are some examples:

Example 1: "fully completes and properly submits to us, in accordance with our instructions, our form of online application for _____ [insert the appropriate reference--e.g., our EZCredit credit card]"
Example 2: "books a hotel stay in accordance with our online requirements and instructions"
Example 3: "subscribes for our Internet access Service in accordance with our online requirements and instructions"

Note 2: Insert the action or contingency that must occur after the initial action on your Website:

Example 1: "uses such EZCredit card for a charge of at least \$50 within 30 days after issuance and does not reverse such charge within the period after the charge we allow for reversals "
Example 2: "completes the hotel stay within 30 days after booking"
Example 3: "pays us in full for the first full month of such Internet access service and does not cancel such service within such first month"

You should be sure to clearly state all conditions and requirements for qualifying the transaction for payment to the affiliate.

[END OF SAMPLE PROVISIONS]

