



AFFILIATE PAYMENT SERVICE POLICIES AND PROCEDURES Effective September 1, 2001

BACKGROUND

LinkShare Corporation, a Delaware corporation ("LinkShare," "we" or "us"), operates affiliate marketing networks ("Networks"), including those currently operated under the names "The LinkShare Network[®]," "B2B LinkShareSM" and "LinkShare UK SM." Each Network has two types of participants: (1) persons who offer or advertise products, services or content over the World Wide Web (the "Web") and who join the Network for the purpose of marketing through programs commonly referred to as affiliate programs or through other performance-based compensation arrangements ("LinkShare Merchants") and (2) other persons who join the Network in order to participate in the affiliate programs conducted or other performance-based marketing arrangements formed by LinkShare Merchants through the Network ("Affiliates"). Each LinkShare Merchant who is a member of any Network uses the Network and LinkShare's related services pursuant to an agreement between such LinkShare Merchant and LinkShare (such agreement for any LinkShare Merchant, as previously or hereafter amended or supplemented being referred to as such LinkShare Merchant's "Merchant Agreement").

In order to facilitate the timely payment by LinkShare Merchants of compensation earned by Affiliates, LinkShare provides a service which it refers to as its "Check Disbursement" or "Affiliate Payment" service (the "Service"). These Affiliate Payment Service Policies and Procedures ("these Procedures") apply to any LinkShare Merchant (a "User" or "you") who uses the Service. Any LinkShare Merchant who uses the Service shall thereby be deemed to have accepted and agreed to these Procedures.

These Procedures shall be deemed to be incorporated into each User's Merchant Agreement and the respective rights, obligations and liabilities of LinkShare and such User with respect to the Service shall be governed by the terms of the Merchant Agreement (including, without limitation, the warranties and warranty and liability disclaimers and limitations contained in the Merchant Agreement) and these Procedures, collectively. If there is any conflict between the express provisions of these Procedures and the express provisions of any User's Merchant Agreement, the terms of these Procedures shall govern.

CERTAIN TERMS USED IN THESE PROCEDURES

Terms that are defined in a User's Merchant Agreement and that are used, but not defined in these Procedures have the meanings given to them in your Merchant Agreement. Different Merchant Agreements may use different defined terms to refer to the persons who participate in an affiliate program of a Merchant by displaying or distributing a Merchant's links, such as "LinkShare Affiliates," "LinkShare Sales Affiliates," "Sales Affiliates" or "Affiliates." As used in these Procedures, the term "Affiliate" is intended to encompass whichever term is used in your Merchant Agreement.

The term "Compensated Action" means an action by a Web user or other action, transaction or activity (such as a sale of a product or an application completion) that entitles an Affiliate to compensation from you under the terms of an Engagement and that LinkShare tracks and reports upon pursuant to your Merchant Agreement. Ordinarily, the tracking data obtained by LinkShare about Compensated Action includes a "transaction date" assigned by your e-commerce software.

The term "Network Site" means, for any Network, the Webpage(s) or other area of the Website used by LinkShare for such Network and having the URL designated from time to time by LinkShare.

AFFILIATE PAYMENT PROCEDURES

For any Network for which you use the Service, the Service shall consist of LinkShare's standard services provided generally to Merchants in such Network with regard to the disbursement of payments due from them to Affiliates, subject to the following terms and conditions:

1. You agree pay your Affiliates the amounts of compensation due to them (and not disputed in good faith) in full each calendar month in accordance with these Procedures. You also agree that if the terms of your affiliate program(s) or offers to or agreements with Affiliates provide that payment of commissions or other compensation accrued to an Affiliate will not be made unless or until unless or until some minimum amount of compensation has accrued, then such minimum amount must be one permitted by LinkShare, as indicated on the Network Site. If necessary, You agree to revise the terms of your affiliate program(s) conducted through any Network and the terms of your offers to and agreements with Affiliates so that they are consistent with these Procedures.
2. On or prior to the fourth business day of each calendar month beginning after the date the Service begins, LinkShare will post on your merchant interface area on the Network Site ("your Merchant Interface") the invoices for the commissions or other compensation you owe to Affiliates for the prior month (the "Initial Affiliate Payment Schedule") and the fees and charges due LinkShare for the prior month under your Merchant Agreement. Currently, LinkShare posts each Initial Affiliate Payment Schedule under the header "Affiliate Payment" on your Merchant Interface and posts each invoice for LinkShare's fees and charges under the header "Bill Summary" on your Merchant Interface. (LinkShare will notify you in advance of any change in either location.) Currently, LinkShare also mails a paper invoice for the fees and charges you owe LinkShare, but you may print out the online version. The Initial Affiliate Payment Schedule for any calendar month will reflect data properly reported to LinkShare and having processing dates within such month.
3. You are responsible for promptly reviewing each Initial Affiliate Payment Schedule for the purpose of making authorized adjustments and approving or, if authorized under these Procedures and your program and offer terms, withholding disbursement to the named Affiliates of the respective amounts indicated. Your Merchant Interface may provide the functionality that permits you to make, online, authorized adjustments to the amount shown as due, and approve or withhold approval of payment, to individual Affiliates. That feature of the Merchant Interface is intended to facilitate adjustments that do not require a corresponding change in data regarding Compensated Actions that you previously have reported to LinkShare through the technical method for data transfer set up when you joined the Network. For example, you could use that feature of your Merchant Interface to pay a bonus to some top-performing Affiliates or to withhold payment from a particular Affiliate on grounds permitted by your program terms. The feature should not be used, however, to reflect product returns, invalid transactions or other chargebacks or to make other such changes that can be reported as adjustments through your normal data transfer method. Please consult your LinkShare Technical Guidelines for guidance on how to properly make adjustments of those kinds and contact your LinkShare merchant service representative if you have any questions.

4. On or before the last day of each month, you must submit to LinkShare, through your Merchant Interface, a final schedule of the Affiliate payments for the prior month that you authorize (the "**Authorized Affiliate Payment Schedule**"). Upon submission, the Authorized Affiliate Payment Schedule is final and no further changes may be made. If you fail to properly submit the Authorized Affiliate Payment Schedule for any month on or before the last day of the next month, then LinkShare shall be authorized to treat the Initial Affiliate Payment Schedule as the "Authorized Affiliate Payment Schedule," which shall be final and not subject to change.

Note: Upon submission of approved affiliate commissions, you may click on the "Printable Invoice for Your Accounting Department" link and print out the invoice. The invoice will reflect any adjustments you have properly made online prior to submission. Please note that LinkShare will NOT mail copies of the affiliate invoice to you and, therefore, it is your responsibility to print this invoice and submit it to your accounting department for prompt processing and payment or complying with any other applicable internal procedures of your organization.

5. After Affiliates are paid for any month, any downward adjustment of the Compensated Actions credited to an Affiliate you subsequently make for product returns or other reasons will result in a debit to the Affiliate's account, so any overpayment will be recoverable only to the extent the Affiliate earn sufficient offsetting commissions in the subsequent months.

6. On or before the last day of each month, You shall pay LinkShare the amount of the total payments due to Affiliates for the prior month as shown on the applicable Authorized Affiliate Payment Schedule.

7. Subject to receipt by LinkShare of the full amount of cleared or immediately available funds required by paragraph 7 above by the last day of the month, then LinkShare shall disburse to Affiliates the payments specified in the Authorized Affiliate Payment Schedule by the fifth business day of the next month.

8. You agree that you shall not make any adjustment or deny or fail to give authorization to make any disbursement to any Affiliate that is not authorized under the terms of your offers to and agreements with Affiliates. The fact that LinkShare makes or accepts any such adjustment or data does not imply that it agrees that it is authorized or accurate or constitute a waiver of any audit right or discretion granted by the Merchant Agreement. You are responsible for resolving, defending and satisfying all claims by Affiliate resulting from or based upon any adjustment you make or data you provide or from your failure to provide sufficient funds to make any payment due to any Affiliate.

9. In LinkShare's discretion, disbursements to Affiliates may be made by check, wire or intrabank transfer or other method.

10. Each invoice for the fees and charges you owe to LinkShare under your Merchant Agreement shall be due and payable by the end of the month in which the invoice is posted to your Merchant Interface. You must give LinkShare notice of any dispute regarding any such invoice, or any adjustment to LinkShare's fees you believe to be required under the terms of your Merchant Agreement because of authorized adjustments to the reported levels of Compensated Actions for the month covered by the invoice, by the fifteenth day of the month in which the invoice is posted. Such notice may be given through your LinkShare merchant services representative. If any such dispute is made or adjustment is requested in good faith but is not resolved by the parties by the end of the month in which the invoice is posted, then you shall pay at least the portion of the invoiced amount that is not disputed or in excess of the adjustment requested by the end of such month.

11. Any chargeback must be reported to LinkShare not later than the ninetieth day after the transaction date of the "**chargeback**" is a reversal of a product sale or other Compensated Action that was previously reported and taken into account in paying Affiliates or LinkShare for a month that you are entitled to make under the terms of your agreements with Affiliates, such as a reversal because of the return of the product by your customer or a bad credit card charge. A properly reported chargeback will result in a credit to the amount due from you to the relevant Affiliate or, if applicable, LinkShare's fees payable by you for the month in which the processing date for the chargeback occurs, but will not result in a refund of any payment previously made in respect to the Compensated Action reversed.

12. Late payments shall bear interest at the rate of 2% per month, compounded monthly, or, if lower, the maximum rate allowed by law, and may also result in collection action. In addition, if you default in payment when due of amounts owed to Affiliates or LinkShare, then LinkShare may, without prior notice to you, immediately suspend your access to and use of all or part of the Network. During a suspension, LinkShare shall continue to provide its tracking and reporting services for Qualifying Links in place at the time of suspension, but your access to or use of the Network or the Network Site to view reports, to establish, make or enter into additional Qualifying Links, offers or Engagements or for any other purpose will be suspended. LinkShare shall give you e-mail or telephonic notice promptly after any such suspension is implemented and, if you do not cure your failure within ten days after such notice is given, LinkShare may elect, in its discretion, either to terminate all of your Qualifying Links and the Merchant Agreement or to move your account to "hold" status, meaning that in addition to continuing the suspension, LinkShare may, without terminating the Merchant Agreement, terminate any or all Qualifying Links that continued to operate during the suspension. LinkShare may elect, in its discretion, to terminate your access to and use of the Network and your Merchant Agreement at any time after your account is placed on "hold." Suspension or placement of your account on hold shall not affect your obligations or liabilities under the Merchant Agreement or these Procedures. Such rights are in addition to any other right or remedy available to LinkShare under the Merchant Agreement or these Procedures, at law or in equity. Any termination of your Merchant Agreement will have the effects stated in the Merchant Agreement or, if none are stated, as provided by law.

MISCELLANEOUS

LinkShare reserves the right to supplement or modify these Procedures from time to time, provided that it gives you at least ten business days' e-mail or written notice before such change becomes effective, except that shorter advance notice may be given in a situation that LinkShare believes reasonably and in good faith to be an emergency or otherwise have an adverse effect on any Network if a longer notice were given. Unless otherwise expressly provided in your Merchant Agreement or you otherwise consent in writing or by e-mail, no supplement or modification may (i) result in you becoming required to pay fees not previously payable, increase fees already payable or (ii) materially adversely affect your rights or obligations under your Merchant Agreement. If your consent to a supplement or modification is required and you do not give such consent on a timely basis, then such supplement or modification shall not apply to you, but LinkShare may elect, upon 30 days' prior written notice to you, to cease providing the Service to you.