Shakti Inc.-Ergo21.com Affiliate Program

Operating Agreement

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This Agreement contains the complete terms and conditions that apply to an individual's or entity's participation in the Shakti Inc.-Ergo21.com Affiliates Program (the "Program"). As used in this Agreement, "we" means Ergo21.com, and "you" means the applicant. "Site" means a worldwide website and, depending on the context, refers either to Ergo21.com's site, located at the URL www.Ergo21.com, or to any site that you will link from to our site and which you will identify in your Program application.

Program Enrollment

To enroll, please submit a completed Application at: www.ergo21.com/installationFolderOfPap/affiliates/signup.php We will evaluate your application in good faith and will notify you of your acceptance or rejection. We may reject your any reason at our sole discretion. Unsuitable sites include those that:

- Promote sexually explicit materials
- Promote violence
- Promote discrimination based on race, sex, religion, nationality, disability, sexual orientation or age
- Promote illegal activities
- Are not marketed to our target audience
- Do not meet our standards of quality
- Post advertising or promote content that is counter to our market and/or our standards of quality.

If we reject your application, you are welcome to reapply to the Program at a later date. Please note: if we accept your application and your site is thereafter determined, in our sole discretion, to be unsuitable for the Program, we reserve the right to terminate this Agreement.

Links on Your Site

Once you have been notified of acceptance in the Program, we will provide you with guidelines and image links or text links to use in linking to any page on our site. To permit accurate tracking, reporting and referral fee accrual, we will provide you with special link formats to be used in all links between your site and our site. You must ensure that each link between your site and our site properly utilizes such special link formats. Links to our site placed on your site pursuant to this Agreement and which properly utilize such special link formats are referred to as "*Special Links*." You will earn referral fees only with respect to activity on our site occurring directly through Special Links; we will not be liable to you with respect to any failure by you to use *Special Links*, including to the extent that such failure may result in any reduction of amounts that would otherwise be paid to you pursuant to this Agreement.

You acknowledge that, by participating in the Affiliates Program and by placing any of the above links within your site, Ergo21.com may receive information from or about visitors to your site or communications between your site and those visitors. Your participation in the Ergo21.com Program constitutes your specific and unconditional consent to and authorization for Ergo21.com's access to, receipt, storage, use and disclosure of any and all such information, consistent with the policies and procedures set forth in Ergo21.com's Privacy Notice.

Order Processing

We will process Product orders placed by customers who follow *Special Links* from your site to our site. We reserve the right to reject orders that do not comply with any requirements that we may establish periodically. We will be responsible for all aspects of order processing and fulfillment. Among other things, we will prepare order forms, process payments, cancellations, and returns and handle customer service. We will track sales made by customers who purchase Products by using *Special Links* from your site to our site, and we will make

available to you reports summarizing this sales activity. The form, content and frequency of the reports may vary from time to time based on our discretion.

Referral Fees
We will pay you referral fees of 8% on Product sales as follows. For a Product sale to be eligible to earn a referral fee, the customer must click through a *Special Link* from your site to our site, add the Product to his or her shopping cart and purchase the Product. Customers will be considered as having originated at your site and referral fees will be paid to you if products are added to a customer's shopping cart and purchased from Ergo21.com within seven days of their first visit to Ergo21.com after having come directly from your site.

Referral Fee Schedule
You will earn referral fees based on *Qualifying Revenues* according to referral fee schedules to be established by us. "*Qualifying Revenues*" are revenues derived by us from our sales of *"Qualifying Products"*, excluding costs for shipping, handling,(presently $7.00 per order) gift-wrapping, taxes, service charges, credit card processing fees, returns, and bad debt. Hereafter, Qualifying Products will be all products deemed eligible for any referral fee.

Referral Fee Payment
We will pay you referral fees on a quarterly basis. Approximately 30 days following the end of each calendar quarter, we will send you a check for the referral fees earned on our sales of Qualifying Products that were shipped during that quarter, less returns, less any taxes that we are required by law to withhold. However, if the referral fees payable to you for any calendar quarter are less than $25, we will hold payment until the total amount due is at least $25 or (if earlier) until this Agreement is terminated. In calculating referral fees, we will deduct the corresponding referral fee from your next quarterly payment if a Product that generated a referral fee is returned by the customer. If there is no subsequent payment, we will send you a bill for the referral fee.

Policies and Pricing
Customers who buy products through this Program will be deemed to be customers of Ergo21.com. Accordingly, all Ergo21.com rules, policies and operating procedures concerning customer orders, customer service and product sales will apply to those customers. We may change our policies and operating procedures at any time. For example, we will determine the prices to be charged for products sold under this Program in accordance with our own pricing policies. Product prices and availability may vary from time to time. Because price changes may affect Products that you already have listed on your site, you may not include price information in your Product descriptions. We will use commercially reasonable efforts to present accurate information, but we cannot guarantee the availability or price of any particular product.

Identifying Yourself as an Affiliate
You may display the phrase " Ergo21.com-Approved Affiliate" somewhere on your site if you choose to. We may, from time to time, make available a graphic that you may display as well. You may not make any press release with respect to this Agreement or your participation in the Program without prior approval by Ergo21.com, such approval will not be unreasonably withheld. You may not take any action that could reasonably cause any customer confusion as to our relationship with you, or as to the site on which any functions or transactions (e.g., search, order, browse and so on) are occurring; or: If we determine, in our sole discretion, that you have done the aforementioned, we may (without limiting any other rights or remedies available to us) withhold any referral fees otherwise payable to you under this Agreement and/or terminate this Agreement. You may not in any manner misrepresent or embellish the relationship between us and you, or express or imply any relationship or affiliation between us and you or any other person or entity except as expressly permitted by this Agreement including by expressing or implying that Ergo21.com supports, sponsors, endorses or contributes money to any charity or other cause.

Limited License
We grant you a nonexclusive, revocable right to use the graphic images and text that we provide to you solely for the purpose of identifying your site as a Program participant and to assist in generating Product sales. You may not modify the graphic image or text, or any other of our images,in any way without approval

We reserve all of our rights in the graphic image and text, any other images, our trade names and trademarks, and all other intellectual property rights. Ergo21.com has the sole right to approve all aspects of the promotion related to Ergo21.com products on your site. We may revoke your license at any time by giving you written notice.

Responsibility for Your Site
You will be solely responsible for the development, operation and maintenance of your site and for all materials that appear on your site. For example, you will be solely responsible for:

- The technical operation of your site and all related equipment
- Creating and posting Product descriptions on your site and linking those descriptions to our catalog
- The accuracy and appropriateness of materials posted on your site (including, among other things, all Product-related materials)
- Ensuring that materials posted on your site do not violate or infringe upon the rights of any third party (including, for example, copyrights, trademarks, privacy or other personal or proprietary rights)
- Ensuring that materials posted on your site are not libelous or otherwise illegal
- Ensuring that your site accurately and adequately discloses, either through a privacy policy or otherwise, how you collect, use, store and disclose data collected from visitors, including, where applicable, that third parties (including advertisers) may serve content and/or advertisements and collect information directly from visitors and may place or recognize cookies on visitors' browsers.

We disclaim all liability for these matters. Further, you will indemnify and hold harmless Ergo21.com from all claims, damages and expenses (including, without limitation, attorneys' fees) relating to the development, operation, maintenance and contents of your site.

Term of the Agreement
The term of this Agreement will begin upon our acceptance of your Program application and will end when terminated by either party. Either you or we may terminate this Agreement at any time, with or without cause, by giving the other party written notice of termination. Upon the termination of this Agreement for any reason, you will immediately cease use of, and remove from your site, all links to our site, and all Ergo21.com trademarks, trade dress and logos and all other materials provided by or on behalf of us to you pursuant hereto or in connection with the Program. You are eligible to earn referral fees only on our sales of *Qualifying Products* that occur during the term, and referral fees earned through the date of termination will remain payable only if the related orders are not canceled or returned. We may withhold your final payment for a reasonable time to ensure that the correct amount is paid.

Modification
We may modify any of the terms and conditions contained in this Agreement, at any time and in our sole discretion, by posting a change notice or a new agreement on our site. Modifications may include, for example, changes in the scope of available referral fees, referral fee schedules, payment procedures and Program rules. **IF ANY MODIFICATION IS UNACCEPTABLE TO YOU, YOUR ONLY RECOURSE IS TO TERMINATE THIS AGREEMENT. YOUR CONTINUED PARTICIPATION IN THE PROGRAM FOLLOWING OUR POSTING OF A CHANGE NOTICE OR NEW AGREEMENT ON OUR SITE WILL CONSTITUTE BINDING ACCEPTANCE OF THE CHANGE.**

Relationship of Parties
You and we are independent contractors, and nothing in this Agreement will create any partnership, joint venture, agency, franchise, sales representative or employment relationship between the parties. You will have no authority to make or accept any offers or representations on our behalf. You will not make any statement, whether on your site or otherwise, that reasonably would contradict anything in this Section.

Limitation of Liability
We will not be liable for indirect, special, or consequential damages (or any loss of revenue, profits or data) arising in connection with this Agreement or the Program, even if we have been advised of the possibility of

such damages. Further, our aggregate liability arising with respect to this Agreement and the Program will not exceed the total referral fees paid or payable to you under this Agreement.

Disclaimers

We make no express or implied warranties or representations with respect to the Program or any products sold through the Program (including, without limitation, warranties of fitness, merchantability, non-infringement, or any implied warranties arising out of a course of performance, dealing or trade usage). In addition, we make no representation that the operation of our site will be uninterrupted or error-free, and we will not be liable for the consequences of any interruptions or errors.

Independent Investigation

You acknowledge that you have read this Agreement and agree to all its terms and conditions. You understand that we may at any time solicit customer referrals on terms that may differ from this contained in this agreement. You have independently evaluated the desirability of participating in the program and are not relying on any representation, guarantee or statement other than as set forth in this Agreement.

Miscellaneous

This Agreement will be governed by the laws of the United States and the state of California, without reference to rules governing choice of laws. Any action relating to this Agreement must be brought in the federal or state courts located in Orange County CA, and you consent irrevocably to the jurisdiction of such courts. You may not assign this Agreement, by operation of law or otherwise, without our prior written consent. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and assigns. Our failure to enforce your strict performance of any provision of this Agreement will not constitute a waiver of our right to subsequently enforce such provision or any other provision of this Agreement.