

Marketing Affiliate Terms and Conditions

Last Modified: April 1, 2021

PLEASE READ THESE MARKETING AFFILIATE PROGRAM TERMS AND CONDITIONS CAREFULLY.

This is a contract between you (the "Affiliate") and us ("WonderFil®"). It describes how we will work together and other aspects of our business relationship. It is a legal document so some of the language is necessarily "legalese" but we have tried to make it as readable as possible.

The Marketing Affiliate Program Agreement applies to your participation in our Marketing Affiliate Program (the "Affiliate Program"). These terms are so important that we cannot have you participate in our Affiliate Program unless you agree to them.

We periodically update these terms. We might also choose to replace these terms in their entirety if, for example, the Affiliate Program changes, ends, or becomes part of an existing program. If we update or replace the terms we will let you know via electronic means by email. If you don't agree to the update or replacement, you can choose to terminate as we describe below.

Definitions

"WonderFil® Affiliate" means a company or person who has a business relationship with WonderFil® in accordance with the conditions laid out in this agreement.

"Marketing Affiliate Program" means our marketing affiliate program as described in this Agreement.

"Affiliate Lead" means a customer prospect who clicks on the Affiliate Link that we have made available to you via the Affiliate Profile.

"Affiliate Link" means the unique tracking link you are provided by WonderFil® to place on your site or promote through other channels.

"Affiliate Policies" means the policies applicable to affiliates which we may make available to you from time to time.

"Affiliate Profile" means the tool that we make available to you upon your acceptance into the Affiliate Program and for you to use in order to participate in the Affiliate Program.

"Agreement" means this Marketing Affiliate Program Terms and Conditions and all materials referred to or linked to in this document.

"Commission" means an amount described on the Program Policies Page for each Customer Transaction.



"Cookies" means when an affiliate lead visits our website which uses cookies, a cookie file is saved to their PC, Mac, phone or tablet. It stores the WonderFil® website name, and also a unique ID that represents them as an Affiliate Lead. That way, if they go back to our website again, our website knows they have already been there before using the WonderFil® Affiliate link.

"Customer" means the customer or person who has purchased the WonderFil® products after being an Affiliate Lead.

"Customer Transactions" means those transactions by Affiliate Leads that are eligible for Commission pursuant to the 'Customer Transactions' section of this Agreement.

"Customer Data" means all information that Customer submits or collects via the WonderFil® Products and all materials that Customer provides or posts, uploads, inputs or submits for public display through the WonderFil® Products.

"WonderFil® Content" means all information, data, text, messages, software, sound, music, video, photographs, graphics, images, and tags that we incorporate into our services.

"WonderFil® Products" means all WonderFil® products such as our specialty threads, Merino wool, thread packs, accessories and notions made available by WonderFil®.

"Program Policies Page" means the affiliate landing page: https://www.shopwonderfil.com/partners/affiliates/program-policies where we will provide all the up to date guidelines and policies for the Affiliate Program.

"We", "us", "our", and "WonderFil" means Wonderful Network (Canada) Ltd.

"You" and "Affiliate" means the party, other than WonderFil®, entering into this Agreement and participating in the Affiliate Program.

Non-Exclusivity

This Agreement does not create an exclusive agreement between you and us. Both you and us will have the right to recommend similar products and services of third parties and to work with other parties in connection with the design, sale, installation, implementation and use of similar services and products of third parties.

Affiliate Acceptance

Once you complete an application to become an Affiliate, we will review your application and notify you whether you have been accepted to participate in the Affiliate Program, or not. Before we accept an application, we may want to review your application with you, so we may reach out to you for more information. We may require that you meet certain requirements before we accept your application.



If you are accepted to participate in the Affiliate Program, then upon notification of acceptance, the terms and conditions of this Agreement shall apply in full force and effect, until terminated, pursuant to the terms set forth below.

Your acceptance and participation in the Affiliate Program does not mean that you will be accepted into any of our WonderFil Teachers Programs, including our Wholesale customers, or Home Based Pricing Program. In order to participate in these programs, you will need to apply in accordance with the relevant application procedure.

You will comply with the terms and conditions of this Agreement at all times, including any applicable Program Policies.

Customer Transactions

Affiliate Program Limits.

We will pay you Commission for each Customer who completes a Customer Transaction after clicking on an Affiliate Link made available by you, provided that you remain eligible to receive Commission pursuant to the terms of this Agreement.

The WonderFil® Affiliate link provided to you **must** be visible on your website and will be enforced during the term of this agreement.

Eligibility.

To be eligible for Commission a Customer Transaction must have occurred.

- 1. All transactions must occur on a shopwonderfil domain (.com, . eu, .uk, .au, .nz. jp).
- 2. No objection or prohibition from the customer for such compensation excludes from its payments to WonderFil® .
- 3. A customer transaction has occurred within the 15 days of cookies stored on our WonderFil® domain.
- 4. The Commission payment has not have been obtained by fraudulent means, misuse of the Affiliate Link, in violation of any Affiliate Program Policies that we make available to you, misuse of the Affiliate Tool or by any other means that we deem to breach the spirit of the Marketing Affiliate Program.
- 5. We may discontinue Commission payments should any of the eligibility criteria set forth in this subsection fail to be met at any time during the validity of this agreement.

Acceptance and Validity.

You will only be eligible for a Commission payment for any Customer Transactions that are derived from Affiliate Leads generated by the Affiliate Link that we make available to you.

Commission and Payment.

Requirements for Payment; Forfeiture.

In order to receive payment under this Agreement, you must have:

1. Agreed to the terms of this Agreement (generally completed through the Affiliate Tool).



- 2. Completed all steps necessary to create your account in the Affiliate Tool in accordance with our directions.
- 3. Completed any and all required tax documentation in order for WonderFil to process any payments that may be owed to you.

Notwithstanding the foregoing or anything to the contrary in this Agreement, if any of the requirements set forth remain outstanding for 14 days immediately following the close of a Customer Transaction, then your right to receive Commission arising from any and all Customer Transactions with the associated Customer will be forever forfeited and the agreement will be terminated.

Commission Payment.

We will pay the Commission amount due to you no later than the 10th day of the following month. for any Commission amounts that you become eligible for according to the Eligibility section. We will determine the currency in which we pay the Commission, as well as the applicable conversion rate.

Taxes.

You are responsible for payment of all taxes applicable to the Commission. All amounts payable by us to you are subject to offset by us against any amounts owed by you to us.

Commission Amounts.

We reserve the right to alter or change the Commission amount. We will post all information regarding the Commission amount on the Program Policies Page.

Cookies Storage.

Affiliate leads visiting our WonderFil® domain through the Affiliate link provided by you will have their Cookies stored for 15 days after visitation. If an Affiliate lead makes a purchase within the 15 day period you will receive your commission on that transaction.

Training and Support

Affiliate Training and Support.

We may make available to you, without charge, various webinars and other resources made available as part of our Affiliate Program. You will be invited to participate via email. We may change or discontinue any or all parts of the Affiliate Program benefits or offerings at any time and you will receive notice via email.

Trademarks.

You grant to us a nonexclusive, non-transferable, royalty-free right to use and display your trademarks, service marks and logos ("Affiliate Marks") in connection with the Affiliate Program and this Agreement.



During the term of this Agreement, in the event that we make our trademark available to you within the Affiliate Tool, you may use our trademark as long as you follow the usage requirements in this section.

WONDERFIL LOGO

The WonderFil® brand logo is available for use by other companies and brands for any marketing involving WonderFil Specialty Threads™. By downloading any of these logos, you agree to the following terms and conditions.

DO NOT MODIFY THE LOGO

The WonderFil® brand logo should not be modified in any way except by rescaling the entire logo at an even ratio. Changing the colour, stretching of the logo's shape either horizontally or vertically, re-scaling individual parts of the logo, and adding other elements to the logo are prohibited.

KEEP ALL PARTS OF THE LOGO

WonderFil® is a registered trademark, and as a result should always have the ® symbol beside the name. By using any of these logos, you agree to not remove the registered trademark symbol from the logo design.

USE THE LOGO CLEARLY

We request that wherever the WonderFil® logo is used that it shows clearly. Meaning it should not be too small to be legible or placed on a background where it disappears into it. We have provided two styles of the logo in three versions to avoid this: full colour, black, and white.

Proprietary Rights.

The Wonderful Network's Proprietary Rights.

No license to any products is granted by this Agreement. The WonderFil® Products are protected by intellectual property laws. The WonderFil® Products belong to and are the property of us. We retain all ownership rights of WonderFil® Products. You agree not to copy, rent, lease, sell, distribute, or create derivative works based on the WonderFil® Content, or the WonderFil® Products in whole or in part, by any means, except as expressly authorized in writing by us. WonderFil®, The WonderFul Network (Canada) Ltd., and other marks that we use from time to time are our trademarks and you may not use them without our prior written permission, except as otherwise set forth in this Agreement.

We encourage all customers, affiliates and partners to comment on the WonderFil® Products, provide suggestions for improving them, and vote on suggestions they like. You agree that all such comments and suggestions will be non-confidential and that we own all rights to use and incorporate them into the WonderFil Products, without payment to you.

Confidentiality

As used herein, "Confidential Information" means all confidential information disclosed by a party ("Disclosing Party") to the other party ("Receiving Party"), whether orally or in writing, that is



designated as confidential, and WonderFil® customer and prospect information, whether or not otherwise designated as confidential.

Confidential Information does not include any information that is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party or was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party.

The Receiving Party shall:

- 1. protect the confidentiality of the Confidential Information of the Disclosing Party using the same degree of care that it uses with its own confidential information, but in no event less than reasonable care.
- 2. Not use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement.
- 3. Not disclose Confidential Information of the Disclosing Party to any third party.
- 4. Limit access to Confidential Information of the Disclosing Party to its employees, contractors and agents.

The Receiving Party may disclose Confidential Information of the Disclosing Party if required to do so under any federal, state, or local law, statute, rule or regulation, subpoena or legal process.

Term and Termination

Term.

This Agreement will apply for a 12 month(annual) period, once you have accepted our terms and conditions to join the Affiliate program, until terminated.

Termination Without Cause.

Both you and us may terminate this Agreement on fifteen (15) days written notice to the other party.

Termination for Agreement Changes.

If we update or replace the terms of this Agreement, you may terminate this Agreement on five (5) days written notice to us, provided that you send us written notice within ten (10) days after we send you notice of the change.

Termination for Cause.

We may terminate this Agreement:

- 1. Upon thirty (30) days' notice to you of a material breach if such breach remains uncured at the expiration of such period.
- 2. Upon fifteen (15) days notice to you of non-payment of any amount due to us if such amount remains unpaid at the expiration of such period.
- 3. Immediately, if you become the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors.



- 4. Immediately, if you breach the terms applicable to your subscription with us (if you have one), including if you default on your payment obligations to us or our affiliate.
- 5. Immediately, if we determine that you are acting, or have acted, in a way that has or may negatively reflect on or affect us, our prospects, or our customers.

Effects of Expiration/Termination.

Expiration of this Agreement, and termination of this Agreement:

- 1. Without cause by us, or by you with cause.
- 2. By you according to the 'Termination for Agreement Changes' section, shall not affect our obligation to pay you a Commission, so long as the related payment by the Customer Transaction is recognized by us within thirty (30) days after the date of such termination or expiration. We will not pay you fees on Customer Transactions recognized by us after thirty (30) days after the date of such termination or expiration set out above.

Upon termination or expiration, you will discontinue all use of and delete the Affiliate Tool that we make available to you for your participation in the Affiliate Program. Upon termination or expiration, an Affiliate Lead is not considered valid, and we may choose to maintain it in our database and engage with such a prospect.

Upon termination or expiration, you will immediately discontinue all use of our trademark and references to this Affiliate Program from your website(s) and other collateral. For the avoidance of doubt, termination or expiration of this Agreement shall not cause a Customer's subscription agreement to be terminated.

Affiliate Representations and Warranties

You represent and warrant that:

- 1. You have all sufficient rights and permissions to participate in the Affiliate Program and to provision WonderFil® with Affiliate Lead's for our use in sales and marketing efforts or as otherwise set forth in this Agreement.
- 2. Your participation in this Affiliate Program will not conflict with any of your existing agreements or arrangements.
- 3. You own or have sufficient rights to use and to grant to us our right to use the Affiliate Marks.

You further represent and warrant that:

- 1. You will ensure that you are compliant with any trade or regulatory requirements that may apply to your participation in the Affiliate Program (for example, by clearly stating you are a WonderFil® Affiliate on any website(s) you own where you make an Affiliate Link available);
- 2. You will not purchase ads that direct to your site(s) or through an Affiliate Link that could be considered as competing with WonderFil's own advertising, including, but not limited to, our branded keywords;
- 3. You will not participate in cookie stuffing or pop-ups, false or misleading links are strictly prohibited; (v) you will not attempt to mask the referring URL information;
- 4. You will not use your own Affiliate Link to purchase WonderFil® products for yourself.

Indemnification



You will indemnify, defend and hold us harmless, at your expense, against any third-party claim, suit, action, or proceeding (each, an "Action") brought against us (and our officers, directors, employees, agents, service providers, licensors, and affiliates) by a third party not affiliated with us to the extent that such Action is based upon or arises out of (a) your participation in the Affiliate Program, (b) our use of the prospect data you provided us, (c) your noncompliance with or breach of this Agreement, (d) your use of the Affiliate Tool, or (e) our use of the Affiliate Marks.

We will: notify you in writing within thirty (30) days of our becoming aware of any such claim; give you sole control of the defense or settlement of such a claim; and provide you (at your expense) with any and all information and assistance reasonably requested by you to handle the defense or settlement of the claim.

You shall not accept any settlement that

- 1. Imposes an obligation on us
- 2. Requires us to make an admission or imposes liability not covered by these indemnifications or places restrictions on us without our prior written consent.

Disclaimers; Limitations of Liability

Disclaimer of Warranties.

WE AND OUR AFFILIATED COMPANIES AND AGENTS MAKE NO REPRESENTATIONS OR WARRANTIES ABOUT THE SUITABILITY, RELIABILITY, AVAILABILITY, TIMELINESS, SECURITY OR ACCURACY OF THE WONDERFIL PRODUCTS, WONDERFIL CONTENT, THE AFFILIATE PROGRAM OR THE AFFILIATE TOOL FOR ANY PURPOSE. APPLICATION PROGRAMMING INTERFACES (APIS) AND THE AFFILIATE TOOL MAY NOT BE AVAILABLE AT ALL TIMES. TO THE EXTENT PERMITTED BY LAW, THE WONDERFIL® PRODUCTS AND AFFILIATE TOOL ARE PROVIDED "AS IS" WITHOUT WARRANTY OR CONDITION OF ANY KIND. WE DISCLAIM ALL WARRANTIES AND CONDITIONS OF ANY KIND WITH REGARD TO THE WONDERFIL® PRODUCTS AND THE AFFILIATE TOOL INCLUDING ALL IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT.

No Indirect Damages.

TO THE EXTENT PERMITTED BY LAW, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OR BUSINESS OPPORTUNITIES.

Limitation of Liability.

IF, NOTWITHSTANDING THE OTHER TERMS OF THIS AGREEMENT, WE ARE DETERMINED TO HAVE ANY LIABILITY TO YOU OR ANY THIRD PARTY, THE PARTIES AGREE THAT OUR AGGREGATE LIABILITY WILL BE LIMITED TO THE TOTAL COMMISSION AMOUNTS YOU HAVE ACTUALLY EARNED FOR THE RELATED CUSTOMER TRANSACTIONS IN THE TWELVE MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO A CLAIM.

Non-Solicitation



You agree not to intentionally solicit for employment any of our employees or contractors during the term of this Agreement and for a period of twelve (12) months following the termination or expiration of this Agreement. Both you and we acknowledge that (i) any newspaper or other public solicitation not directed specifically to such person shall not be deemed to be a solicitation for purposes of this provision, and (ii) this provision is not intended to limit the mobility of either our employees or contractors.

General Amendment; No Waiver.

We may update and change any part or all of this Agreement, including by replacing it in its entirety. If we update or change this Agreement, the updated Agreement will be made available to you via the Affiliate landing page and we will let you know by email. The updated Agreement will become effective and binding on the next business day after we have notified you. When we change this Agreement, the "Last Modified" date above will be updated to reflect the date of the most recent version. We encourage you to review this Agreement periodically. If you don't agree to the update, change or replacement, you can choose to terminate as we describe above.

Force Majeure.

Neither party will be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; electrical, internet, or telecommunication outage that is not caused by the obligated party; government restrictions; or other event outside the reasonable control of the obligated party. Each party will use reasonable efforts to mitigate the effect of a force majeure event.

Actions Permitted.

Except for actions for nonpayment or breach of a party's proprietary rights, no action, regardless of form, arising out of or relating to this Agreement may be brought by either party more than one (1) year after the cause of action has accrued.

Relationship of the Parties.

Both you and we agree that no joint venture, partnership, employment, or agency relationship exists between you and us as a result of this Agreement.

Compliance with Applicable Laws.

You shall not engage in any deceptive, misleading, illegal or unethical marketing activities, or activities that otherwise may be detrimental to us, our customers, or to the public.

Notices.

Notice will be sent to the contact address set forth herein (as such may be changed by notice given to the other party), and will be deemed delivered as of the date of actual receipt. To: The Wonderful Network (Canada) Ltd. WonderFil® Specialty Thread., Bay 3, 2915 19th St. NE, Calgary, AB, T2E 7A2

To you: your address as provided in our affiliate account information for you.



We may give electronic notices specific to you by email to your e-mail address(es) on record in our account information for you. We may give notice to you by telephone calls to the telephone numbers on record in our account information for you.

Entire Agreement.

This Agreement is the entire agreement between us for the Affiliate Program and supersedes all other proposals and agreements, whether electronic, oral or written, between us. We object to and reject any additional or different terms proposed by you, including those contained in your purchase order, acceptance or website.

Assignment.

You will not assign or transfer this Agreement, including any assignment or transfer by reason of merger, reorganization, sale of all or substantially all of its assets, change of control or operation of law, without our prior written consent.

Program Policies Page.

We may change the Program Policies from time to time. Your participation in the Affiliate Program is subject to the Program Policies, which are incorporated herein by reference

No Licenses.

We grant to you only the rights and licenses expressly stated in this Agreement, and you receive no other rights or licenses with respect to us, the WonderFil® Products, our trademarks, or any other property or right of ours.

Sales by WonderFil®.

This Agreement shall in no way limit our right to sell the WonderFil® Products, directly or indirectly, to any current or prospective customers.

Authority.

Each party represents and warrants to the other that it has full power and authority to enter into this Agreement and that it is binding upon such party and enforceable in accordance with its terms.

Survival.

The following sections shall survive the expiration or termination of this Agreement: 'Commission and Payment', 'Proprietary Rights', 'Confidentiality', 'Effects of Termination/Expiration', 'Indemnification', 'Disclaimers; Limitation of Liability', 'Non-Solicitation' and 'General'.