

1. Definitions

The following terms shall have the respective meaning whenever they are used in this Agreement:

- 1.1. **Recipient** – refers to the individual who intends to apply for the Affiliate Program.
- 1.2. **Affiliate** – refers to the individual who applies for and is accepted into the Affiliate Program.
- 1.3. **Company's Website** – refers to the website that the Company maintains <https://buy.lexservices.ph/>.
- 1.4. **Recipient's Website** – refers to the website on which the Recipient offers to place a link to the Company's Website.
- 1.5. **Affiliate's Website** – refers to the website on which the Affiliate agrees to advertise the Company's Website and Products.
- 1.6. **Unique Uniform Resource Locator (URL)** – refers to the unique URL or affiliate code which the Affiliate may share online or offline to consumers.
- 1.7. **Products** – consisting of but not limited to appliances, mobile phones, smartphones, tablets, other electronic gadgets and related general merchandise products and referring repair services for said products, that is offered by the Company for sale through its website.
- 1.8. **Competitive Brand Bidding** – refers to the act of Affiliate's bidding on competitor's trademarked terms.
- 1.9. **Link Cloaking** – refers to the process of disguising the affiliate URL to obfuscate the Affiliate identification and make the link shorter. It is seen as a protection for the Affiliate's commissions by making the Affiliate's identification less visible.
- 1.10. **Cookie Stuffing** – refers to an affiliate marketing technique which, as a result of visiting a website, a user receives a third-party cookie from a website unrelated to that visited by the user, usually without the user being aware of it.
- 1.11. **Commission** – refers to the percentage of each successful sale of Products made by consumers through the Affiliate's unique URL or affiliate code.

2. Affiliate Program Registration

The Recipient must truthfully and completely fill out and submit to the Company an Affiliate Program Application Form. The Affiliate Program Application Form is included in the Company's Website and can be completed and submitted through the Company's Website.

3. Approval or Rejection of the Affiliate Program Application

The Company reserves the right to approve or reject the Affiliate Program Application in its sole and absolute discretion. The Recipient will have no legal recourse against the Company for the rejection of the Affiliate Program Application.

4. Reasons for Rejection

Without imposing any limitation on the Company's absolute right to approve or reject the Affiliate Application Form, the Recipient's application form may be rejected if it is incomplete; the Recipient's Website contains images or content which are not acceptable to the Company, or is inconsistent with the image the Company wishes to associate with it or its Products; the Recipient's Website contains images or contents which are illegal, obscene, pornographic, vulgar, defamatory, obscene, ethnic or racial objectionable content, or promotes discrimination based on race, sex, sexual preference, sexual orientation, nationality, origin, or ethnicity, religion, disability; or the Recipient's Website contains any image or content which violates any intellectual property rights such as copyright, patent, trademark, tradename, trade secret, confidential information, and other property rights.

5. Term

This Agreement shall be in force and effect for a term of six (6) months ("Term") effective on the date of this Agreement. After the first term expires, an automatic renewal for a period of six (6) months from expiration of such initial/preceding Term, unless either Party submits a notice of cancellation as set forth under Section 17 hereof.

6. Relationship of the Parties

6.1. Nothing in this Agreement shall be construed as creating a partnership, joint venture, agency or similar arrangement between the Parties, and neither Party shall have the right to represent or hold itself out as an agent of the other. No Party shall have any authority to bind the other Party in any act, agreement, instrument, or thing without the prior written consent of

the other Party. Neither Party shall be liable for the debts and obligations of the other.

6.2. This Agreement shall be non-exclusive and shall not impair or impede the rights of the Parties to enter into similar arrangements with other Parties.

7. Obligations and Responsibilities

- 7.1. AFFILIATE shall actively make available the unique URL and/or affiliate code provided by the Company. To this end, AFFILIATE shall undertake to market and promote the Products in line with the Company's envisioned image thereof.
- 7.2. The Company shall provide the AFFILIATE with online marketing materials, and all other sales collateral that may be necessary to enable the AFFILIATE to further market and promote the Products to the general public.
- 7.3. Each Party shall bear its own costs and expenses in the performance of its obligations under this Section 7.

8. Direct Linking

The AFFILIATE is prohibited from directly linking the AFFILIATE's Website to the COMPANY's Website, except when the Company and the AFFILIATE are advertising on different places (e.g., Google, Yahoo, Bing); *Provided*, that when direct linking is allowed, Section 10 of this Agreement shall be strictly observed by the AFFILIATE.

9. Competitive Brand Bidding

Competitive brand bidding is prohibited in the following circumstances:

- (i) If the Affiliate's Website is directly linked to the Company's Website;
- (ii) If the Products are confusingly similar to the competitor's products, either in look, feel, or brand name; and
- (iii) If the AFFILIATE exclusively promotes the Products (and not the competitor's products) on the Affiliate's Website landing page.

10. Other Restrictions

- 10.1. The AFFILIATE is prohibited from directly competing with the Company for specific media properties and keywords, which are as follows:
 - (i) Warranty;
 - (ii) Extended Warranty;
 - (iii) LEX;
 - (iv) Warranties;
 - (v) Gadget Guard; and
 - (iv) Other analogous keywords, brand names, typographical errors of brand names, variations that include ".com", top performing keywords and brand phrases.
- 10.2. The AFFILIATE should negatively match the restricted keywords in Section 10.1 from automatically matching with the AFFILIATE's advertisements to any restricted word.
- 10.3. The AFFILIATE is required to follow rank restrictions on the Company's brand names and top performing keywords, which the AFFILIATE are allowed to use in the AFFILIATE's advertisements.
- 10.4. The AFFILIATE is prohibited from registering domains which contain the Company's brand names, typographical errors of brand names and keywords.
- 10.5. Link Cloaking is not prohibited, unless it is done:
 - (i) Through an unauthorized method by the Company; or
 - (ii) For the purpose of evading the Company.
- 10.6. The AFFILIATE is prohibited from using evasion tactics to hide the Affiliate URL when the visits are from the Company, or from search engine editorial bots checking on paid advertisements.
- 10.7. The AFFILIATE must ensure that the landing page

must match the display URL. Redirects or jump pages which immediate redirect to the Company Website are prohibited.

10.8. The AFFILIATE is prohibited to do the following:

- (i) Using of the brand in ad copy text, or in the display URL if prohibited by the Company to do brand use;
- (ii) False advertising, e-marketing, or any claim which shows the Company, or any of its competitors in a false or misleading light;
- (iii) Promoting old or invalid offers that have expired;
- (iv) Using of certain words such as "official" or "free";
- (v) Copying the Company's landing pages or any substantial portions thereof; and
- (vi) Press releases about the Company.

10.9. The AFFILIATE is prohibited to do the following activities:

- (i) Cookie Stuffing;
- (ii) Link Interception;
- (iii) Falsifying Orders; and
- (iv) Other deceptive or dishonest means or methods to obtain Commissions from the Company.

11. Confidentiality

11.1. Technical and commercial information and other information which one Party (herein referred to as the "Disclosing Party") may disclose in confidence to the other Party (herein referred to as the "Receiving Party"), and any and all other non-public information obtained or received by the Receiving Party from the Disclosing Party or to which the Receiving Party may have access to in the course of the negotiations between the Parties relative to the performance by the Parties of their respective obligations under this Agreement, such as but not limited to any information which relates to the financial and/or business operations of each Party, including but not limited to, specifications, drawings, sketches, models, samples, reports, forecasts, current or historical data, computer hardware, programs or documentation and all other technical, financial or business data, including but not limited to, information related to each Party's customers/clients, products, processes, financial condition, employees, intellectual property, manufacturing techniques, experimental work, trade secrets, and specific information related to the negotiations between the Parties and/or this Agreement ("Confidential Information") shall be considered confidential, and the Receiving Party shall:

- (i) Hold the information in utmost confidence and restrict disclosure of the information solely to its employees or representatives, on a need to know basis under terms of confidentiality equivalent to those contained herein, and shall not divulge, reproduce, or share such information to any third party without the written consent of the Disclosing Party at any time during or after the existence of this Agreement; and
- (ii) Advise its employees, representatives, and agents of their obligations with respect to the Confidential Information and compel said employees, representatives, and agents and their employees to execute a similar undertaking of confidentiality.

11.2. The Receiving Party shall AT ALL TIMES protect the Confidential Information by using the same degree of care to prevent its unauthorized use, dissemination or publication as the Receiving Party uses to protect its own Confidential Information of a like nature, but no less than a reasonable degree of care, and the Receiving Party shall enforce this Agreement against those persons to whom it is authorized to disclose the Confidential Information for and on behalf of the Disclosing Party.

11.3. The Parties acknowledge and agree that a Party may disclose Confidential Information or portions thereof if such information is:

- (i) already known to the Receiving Party at the time of the disclosure without an obligation of confidentiality;
- (ii) publicly known or becomes publicly known through no unauthorized act of the Receiving Party;
- (iii) rightfully received from a third party without restriction and without breach of this Agreement and applicable laws and regulations;

(iv) independently developed by the Receiving Party without use of the Confidential Information belonging to the Disclosing Party;

(v) is disclosed with written approval of the other Party;

(vi) required by law or proper government authority to be disclosed by the Receiving Party, in which case, it shall notify the Disclosing Party in writing of the circumstances under which such disclosure will be made, including the nature of the disclosure and the entity to which it is to be made.

11.4. No part of this Agreement or any information or discussion relating thereto shall be shown by AFFILIATE to any third party without the written consent of the Company at any time during or after the existence of this Agreement.

12. Commissions

12.1. For and in consideration of the undertakings to be performed and rendered by AFFILIATE under this Agreement, AFFILIATE shall be entitled to a Commission as set forth in the Schedule of Commission or ANNEX "A" hereof.

12.2. Annex "A" shall form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement.

12.3. The Company may, amend rate or the amount of Commissions, subject to a three (3) day notice to the AFFILIATE.

12.4. In the event that no revenue is generated by the AFFILIATE, it shall not be entitled to any Commission.

12.5. Any and all taxes, costs, fees, expenses, and charges of whatever nature arising from this Agreement shall be for the sole account of AFFILIATE.

13. Payment

13.1. Payment to the AFFILIATE shall be made twice a month through online transfer to its nominated bank accounts based on the following monthly schedule:

- (i) For 1-15 cutoff- Payable every 25th of the month; and
- (ii) For 16-31 cutoff: Payable every 10th of the next month.

If the transfer falls on a non-working day, the transfer shall be processed on the immediately succeeding business day.

13.2. All payments made to the AFFILIATE shall be subject to applicable taxes, including withholding tax. The Company shall send an *e-mail confirmation* with a copy of a Certificate of Creditable Tax Withheld At Source (BIR Form No. 2307), if applicable, to the AFFILIATE when the payment has been successfully made.

13.3. Claims for unpaid commissions may be made by the AFFILIATE not later than [***]. Thereafter, all claims for Commissions shall already be barred. The COMPANY's determination as to the AFFILIATE's entitlement to Commissions shall be deemed final and conclusive, in the absence of manifest error.

14. Liabilities of the Parties

14.1. Each Party accepts liability for and agrees to compensate the other Party and the directors, stockholders, officers, employees, and agents of the other Party against any actions, costs, damages, expenses, proceeds, and reasonable legal fees ("Claims") arising out of any breach by it of the Agreement or of any failure by it to comply with the provisions of this Agreement and all applicable laws and regulations.

14.2. Neither Party shall be liable for any loss caused by a delay in performing or a failure to perform its obligations under this Agreement, if such a delay or failure results from events or circumstances beyond their reasonable control; and which events or circumstances constitute "force majeure".

15. Warranties/Representations

15.1. There are no actions, suits, proceedings, or material claims or investigations pending or threatened against it in any court, or by or before any city, municipal, court or agency, which if adversely

determined, could adversely affect its ability to satisfy its obligations hereunder.

- 15.2.** All appropriate and necessary corporate and legal actions have been taken to authorize the execution, delivery and performance of this Agreement;
- 15.3.** This Agreement constitutes its legal, valid and binding obligations, enforceable in accordance with its terms; and
- 15.4.** There is no statute, rule or regulation, search engine rules, or any judgment, decree or order of any court or agency applicable to it which would be contravened by the execution and delivery of this Agreement or by the performance of any provision, condition, covenant or other term thereof.

16. Trademarks and Copyright

- 16.1.** The AFFILIATE will have a non-exclusive, limited term license to use the trademarks, logos, and copyrighted material that the Company provided to the AFFILIATE for use solely on the page or pages that the AFFILIATE designated in the Affiliate Program Application. The AFFILIATE may only use the images that the Company specifically makes available to its Affiliates. The AFFILIATE may not distribute, reproduce, modify, amend these images in any way. The AFFILIATE may use these images only for purposes of promoting the Company's Website and Products, in compliance with the Affiliate Program provisions, terms and conditions in this Agreement. The license granted herein is subject to complete compliance with all the terms, conditions, and other policies which the Company may create and amend from time to time regarding the Affiliate Program.
- 16.2.** The AFFILIATE will only use such items in the form, size, content, and appearance that the Company provided to the AFFILIATE. The AFFILIATE is not permitted to modify them. The AFFILIATE agrees to display these items prominently on the Affiliate's Website. These items may only be used if they contain a hypertext link to the Company's Website. This license shall immediately be terminated upon the termination of the Affiliate Program. The Company may also terminate this license upon notice to the AFFILIATE in the event that the AFFILIATE's use of these items is contrary to, or does not conform with its standards, such standards to be determined in the Company's sole and absolute discretion. The AFFILIATE agrees that the Company retains all rights, title goodwill, and interest in and to all such materials. The AFFILIATE will not gain any trademark, copyright, or other proprietary rights to such materials. The AFFILIATE agrees not to take any action that is contrary to or inconsistent with the Company's rights to these materials. The AFFILIATE will not use these materials in any way that is damaging, defamatory, disparaging, derogatory, or negative to the Company, or that paints the Company in a false or negative light. The Company may revoke the limited license granted hereunder at any time in writing to the AFFILIATE. Upon termination or revocation, the AFFILIATE will immediately cease from any use of the materials.
- 16.3.** The AFFILIATE is not permitted to use any other proprietary materials, including but not limited to trademarks, copyrights, logos, text, and any other materials that belong to the Company or to any other party, and which may appear on the Company's Website.
- 16.4.** The AFFILIATE grants to the Company a non-exclusive right and license to use the AFFILIATE's trademarks, trade names, service marks, business names, web page titles, slogans, logos, and copyrighted materials for purposes of promoting, advertising, announcing, or marketing the AFFILIATE's participation in the Company's Affiliate Program. The AFFILIATE represents and warrants to the Company that no other party has any rights in and to any of these materials and that these materials do not infringe upon or otherwise interfere with the rights of any other party. The AFFILIATE represents and warrants to be the absolute, sole and exclusive owner of all such materials and the owner of all trademark rights, copyrights,

and other proprietary rights in and to the same. The AFFILIATE represents to have the right, power, and authority to license said materials to the Company, and that the AFFILIATE is not under any legal or contractual limitation on the right to license these materials. The Company has no obligation to announce, advertise, market, or promote AFFILIATE's participation in the Company's Affiliate Program, but reserves the right to do the same at its sole discretion.

17. Termination

- 17.1.** Either Party may give written notice to the other of its intent of non-renewal of this Agreement at least sixty (60) days prior to the end of the initial term or any renewal term.
- 17.2.** A Party may terminate this Agreement with or without cause, provided that a written notice is given to the other Party at least sixty (60) days before the intended date of termination.
- 17.3.** In the event of a material breach by one of the Parties of any of the provisions of this Agreement, the non-breaching Party may terminate this Agreement upon thirty (30) days prior written notice to the breaching Party, unless the breaching Party has cured the breach before the end of the thirty (30) day period.
- 17.4.** Upon termination of this Agreement, AFFILIATE shall return to the Company all collaterals that may be in its possession.
- 17.5.** A Party may terminate this Agreement upon written notice to the other, which termination shall take effect immediately in any of the following instances:
- (i) The other Party shall fail to maintain its operating or other relevant license/permit, shall go into liquidation, or shall for any other reason cease or threaten to cease to carry on its business, or shall be subject of a significant change in its management, ownership, or control;
 - (ii) A decree or order by a court or government agency or authority shall be entered for the appointment of a conservator, receiver, or liquidator for the other Party in an insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceeding, or if the other Party shall have petitioned or consented to any petition, for such appointment;
 - (iii) In case the other Party commits a material breach of any of the provisions of this Agreement (with the exception of Confidentiality obligations under Section 10.3), including the warranties and representations therein, which breach it has failed to remedy within ten (10) days from receipt of notice of breach. In such case, termination shall be effective immediately upon receipt by the party in breach of the notice from the other that the breach remains unresolved despite the lapse of the ten (10) day period;
 - (iv) In case of a breach of the Confidentiality provisions in Section 10.
 - (v) A condition of force majeure that has extended beyond thirty (30) days has substantially prevented the performance by either Party of its obligations under the Agreement.

18. Amendments/Revisions

The AFFILIATE shall be bound to observe and implement supplementary guidelines, which the Company may formulate from time to time.

19. Non-Waiver

Failure of the COMPANY to insist upon a strict performance of any of the terms, conditions, and covenants herein contained shall not be deemed a relinquishment or waiver of any right or remedy that the COMPANY may have, nor shall it be construed as waiver of any subsequent breach or default of the terms, conditions, and covenants herein contained. No waiver by the COMPANY shall be deemed to have been made unless expressed in writing and signed by the duly authorized officer of the COMPANY.

20. Data Privacy

20.1 The Parties shall comply with the requirements of Republic Act No. 10173, otherwise known as the "Data Privacy Act", its Implementing Rules and Regulations, the memorandum circulars issued by the National Privacy Commission, and all confidentiality rules and laws, as applicable.

The terms used in this Section and not otherwise defined shall have the meaning assigned to such terms in the Data Privacy Act.

20.2. The Parties shall uphold the rights of Data Subjects (individuals whose Personal Data is processed by the Company), and adhere to general data privacy principles of transparency, legitimate purpose, and proportionality, and the requirements of lawful processing.

20.3. The Parties shall implement reasonable and appropriate organizational, physical, and technical security measures for the protection of Personal Data.

20.4. The Parties shall use the Personal Data acquired in fulfilling this Agreement only, and such Personal Data may not be used for other purposes unless agreed to by the Parties in writing.

20.5. The AFFILIATE shall not use or process the Personal Data acquired in the course of this Agreement for any other purpose, nor make any unauthorized disclosure, process, duplication, photocopying, typing, printing, writing, or other reproduction of such Personal Data.

20.6. The AFFILIATE shall indemnify the Company in full for costs, losses, charges or expenses it suffers arising out of Security Breach (any unauthorized, unlawful or accidental access, processing, disclosure, alteration, loss, damage, or destruction of Personal Data, whether through human or natural causes), whether due to its own fault or negligence, and the AFFILIATE agrees to indemnify and hold the Company, its officers, employees, and personnel harmless from any damages, loss, liability, or costs (including reasonable attorneys' fees and the costs of enforcing this indemnity) arising out of or resulting from any breach of the AFFILIATE's obligations under or in connection with this Agreement, including any breach of applicable mandatory statutory obligations.

21. Entire Agreement

This Agreement constitutes the entire agreement between the Parties, and supersedes any prior or contemporaneous understandings, whether written or oral.

22. Severability

If any one or more of the provisions contained in this Agreement shall be declared by any court of competent jurisdiction as invalid, illegal, or unenforceable under any applicable law, the validity, legality, and enforceability of the remaining provisions contained therein shall not in any way be affected or impaired.

23. Assignment

A Party may not assign or delegate any of its undertakings/obligations under this Agreement without the prior written consent of the other Party.

24. Venue and Jurisdiction

In case of suit, Parties hereby agree to submit themselves to the jurisdiction of the proper courts of the City of Mandaluyong, to the exclusion of all other courts.

25. Survivability

The following provisions shall survive the termination or expiration of this Agreement:

- a) Section 7. Obligations and Responsibilities
- b) Section 11. Confidentiality
- c) Section 15. Warranties/Representations
- d) Section 17. Termination
- e) Section 20. Data Privacy
- f) Section 24. Venue and Jurisdiction

ANNEX "A"

SCHEDULE OF COMMISSION

AFFILIATE COMMISSION

Ten percent (10%) of the Gross Extended Warranty Price for each LEX Extended Warranty sale made using the Unique URL or Affiliate Code of the Affiliate.

**The Gross Extended Warranty Price shall be based on the price generated, net of discounts, in the Company's Website every time a customer of LEX purchases Extended Warranty through the Company's Website.*

*** Commission set herein are inclusive of VAT, if applicable, and will be subjected to applicable withholding taxes. Commissions are subject to change by LEX within three (3) days notice given to the AFFILIATE subject to the terms and conditions of the Agreement*