

v. 01/19/09

Dharma Boutique Web Site Affiliate Agreement

This Affiliate Agreement (the "Agreement") is dated as of _____, 2009, by and between Dharma Boutique, Incorporated ("Dharma Boutique") and _____ (the "Referral Party"), and effective upon execution by both parties.

Background: This Agreement contains the terms and conditions that apply to the Referral Party's participation in the Dharma Boutique referral program (the "Referral Program"). The Referral Program consists of the establishment of a Dharma Boutique Internet portal or "link" on the Referral Party's site on the World Wide Web (the "Web") or use of a "link" in e-mail newsletters after this Agreement is signed by both parties and subject to the terms of this Agreement. Throughout this Agreement, Dharma Boutique, Incorporated will be referred to as "Dharma Boutique", "we", "us" or "our"; and the Referral Party will be referred to as the "Referral Party," "you or "your". Dharma Boutique's site on the Web is referred to herein as "our web site"; your site on the Web is referred to herein as "your web site" or "Referral Party Web Site" and your e-mail newsletters as "e-mail newsletters" or "your e-mail newsletters".

1. Commencement

To participate in the Program you must complete the online application found on the site: <http://www.dharmaboutique.com/affiliateform.htm> and agree to all the terms of this Agreement. Dharma Boutique may reject any application for any reason. We will reject any application to place its link on a web site that contains, in our sole opinion, any objectionable content. Objectionable content includes content that is unlawful in any manner, harmful, threatening, defamatory, obscene, offensive, harassing, sexually explicit, violent, unlawfully discriminatory, or is otherwise objectionable. We will also reject applications to place its link on a web site that contains links to and advertisements for web sites with objectionable content.

2. Display of Dharma Boutique's Link

Dharma Boutique will provide to you the technical specifications and other information and logos necessary to establish Dharma Boutique's banner, link or Uniform Resource Locator (URL) on your web site. You agree to display prominently our graphical image file as provided by us on one or more pages on your web site. You expressly agree that our name, trademark, logo or any other identifying material will appear on

your web page (or on any other web page under your control) only in the form supplied by us. Our graphical image file on your web page will provide a link only to a URL to which we have agreed. We may cancel this agreement at any time if your display of our logo, trademark or other identifying material does not meet with our approval. Upon notice from us you must immediately remove all references to Dharma Boutique, including its name, logo, trademark, service mark or any o other identifying material from your web site.

3. Responsibility for Your Web site

You are solely responsible for the development, operation and maintenance of your web site and for all materials that appear on your site. Dharma Boutique disclaims all liability for your web site. Further, you will indemnify and hold Dharma Boutique and all related employees, officers, stockholders, directors, agents and assigns harmless from all claims, damages and expenses including, without limitation, reasonable attorney's fees relating to the development, operation, maintenance and contents of your web site and e-mail newsletters and from your violation of the terms of this Agreement.

4. Order Processing

Dharma Boutique will process orders placed by customers for Dharma Boutique products ("Dharma Products") who follow links from your site or e-mail newsletters 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 to customers who purchase Dharma Products by using links from your site or e-mail newsletters to our site and will make available to you reports summarizing this sales activity. The form, content, and frequency of the reports may vary from time to time at our discretion. We reserve the right to reject any orders that do not comply with our rules, operating procedures, and/or violates applicable laws.

5. Referral Fees

Dharma Boutique will pay you referral fees on the sale of certain Qualifying Dharma Products to third parties. For a Dharma Product sale to be considered "Qualifying" and eligible to earn a referral fee, the customer must click-through a Special Link from your web site or e-mail newsletter to our web site, and add the Dharma Product to his or her shopping cart during a session on our web site that concludes within 90 days of clicking the link from your web site or e-mail

newsletter. The session concludes upon one of the following events: (a) the customer closes their web browser, (b) the customer orders the Dharma Product, or (c) the customer navigates away from our web site. Referral fees are only paid on such Dharma Products after order, payment and shipping have occurred. Gift Certificates are not eligible to earn referral fees.

6. Referral Fee Schedule

You will earn referral fees based upon Qualifying Revenues according to referral fee schedules to be established by Dharma Boutique.

“Qualifying Revenues” are revenues derived by us from our sales of Qualifying Dharma Products, excluding costs for shipping, handling, gift-wrapping, taxes, service charges, credit card processing fees, returns and bad debt. The current referral fee schedule is: 5% for of Qualifying Revenues for sales of Qualifying Dharma Products made to individuals clicking through from your web site or e-mail newsletter.

7. Payment of Referral Fees

You will receive payment of your first referral fee when your account balance exceeds \$50 and you will receive this payment within approximately 45 days following the end of the month that your account balance exceeds \$50. Thereafter, you will receive fee payments within 45 days following the end of the month that your account balance exceeds \$25. If for any reason this Agreement is terminated prior to your first referral fee being due and the account balance does not exceed \$50, then no referral fee will be due. If this Agreement is terminated after the first referral fee is due and payable or has been paid, then any referral fee balances in your account will be paid to you within approximately 45 days from the end of the month in which this Agreement was terminated.

8. Customer Information

All customer information provided to Dharma Boutique is the sole and exclusive property of Dharma Boutique. You do not have any right to receive any of the customer’s personal information as provided to us.

9. Customer Privacy

Dharma Boutique may be subject to rules and regulations, including without limitation, the Privacy Statement on our web site, which specifies how we may or may not treat a customer’s personal information. You understand that our web site and policies are created and operated to abide by all such rules and regulations and you agree to comply and abide in all respects with such customer privacy rights.

10. License Agreement

Upon our execution of this Agreement you shall have a limited, revocable, non-exclusive, non-transferable, non-assignable right to use Dharma Boutique's name, logo, and other images and materials relating to Dharma Boutique (the "License"), subject to the terms of this Agreement. You may not modify any of Dharma Boutique's images. This License is subject to the terms and conditions of this Agreement and is limited to the sole purpose of participating in the Program, and for no other purpose. Dharma Boutique expressly reserves all of its rights in and to its trademarks, trade names, icon, logos and other intellectual property. Dharma Boutique may revoke the License at any time by giving you written notice.

11. Term

This Agreement is effective upon execution of this Agreement by both parties. Either party, with or without cause, may terminate this Agreement by giving the other party 30 days written notice of the termination. Referral fees will be paid on accounts, which are eligible under this Agreement, pursuant to Section 7, at or prior to the time of termination. Upon termination of this Agreement, your License will expire immediately.

12. Modification of Agreement

Dharma Boutique may modify this Agreement at any time by posting a change on our website and notifying you by email, including, without limitation, changes in the referral fee structure, payment procedures, and Referral Party Program rules. If any modification is unacceptable to you, your only recourse is to terminate this Agreement. Your continued participation in the Dharma Boutique Referral Party Program following our posting of a change notice or new Affiliate Agreement on our web site, and notifying you by email, will constitute binding acceptance of the change.

13. Relationship of Parties

You and Dharma Boutique are independent contractors for all purposes. Nothing in this Agreement will create any partnership, joint venture, agency, franchise, sales representative or employment relationship between the parties. You have no authority to act on Dharma Boutique's behalf. Your display of our logo and/or trademark as well as all other content on your web site, or any direct contact you have with any customer or prospective customer must not contradict this fact.

14. Publicity

You shall not create, publish, distribute, or permit any written or electronic material that makes reference to Dharma Boutique without first submitting such material to us and receiving our written consent.

15. Limitation of Liability

DHARMA BOUTIQUE WILL NOT BE LIABLE FOR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (OR LOSS OF REVENUE, PROFITS OR DATA) ARISING IN CONNECTION WITH THIS AGREEMENT EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, OUR AGGREGATE LIABILITY ARISING WITH RESPECT TO THIS AGREEMENT SHALL NOT EXCEED THE TOTAL REFERRAL FEES PAID OR PAYABLE TO YOU UNDER THIS AGREEMENT.

16. Disclaimers

DHARMA BOUTIQUE MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE PROGRAM OR THIS AGREEMENT OR ANY PRODUCTS OR SERVICES SOLD BY US. In addition, we make no representation that the operation of our web site will be uninterrupted or error-free and we will not be liable for the consequences of any interruptions or errors.

17. Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without giving effect to any principles of conflicts of law. Hampshire County, Massachusetts shall be the proper place of venue for all suits to enforce this Agreement, and any legal proceedings to enforce the provisions hereof shall be brought exclusively in the District Court or Superior Court of Hampshire County, Massachusetts.

Executed under seal as of the date set forth below.

DHARMA BOUTIQUE INCORPORATED

By _____

Referral Party

By _____