

Operating Agreement

The Study Group Affiliate Agreement

Read this carefully before submitting the application (the "Application") for participation in the Referral Program of Study Group International Ltd. This is a binding agreement (the "Agreement") between the individual submitting the Application or the entity on whose behalf the Application is being submitted ("you" and "your") and The Study Group International, Hove, Sussex, UK ("Publisher"). By submitting the Application, you hereby ACCEPT AND AGREE to all of the terms and conditions set forth in this Agreement.

1. Information Collection and Application Process.

1.1 Information Collection. Publisher has hired Pendulab Inc. ("Pendulab") to manage and administer the Program. Pendulab will (i) serve as the data interchange between you and Publisher; (ii) be responsible for collecting Applications; (iii) track your performance in the Program; and (iv) operate the Reporting Site. Pendulab's role in the Program means that they will have access to a great deal of information about you, including the personal information contained in the Application and the performance data associated with your participation in the Program. All personal information supplied by you in connection with the Program shall be used by Pendulab in a manner that is consistent with its Privacy Policy. That policy is available for your review at http://www.affiliateshop.com/company/privacy_policy.htm . By submitting your Application you consent to Pendulab's role in the Program, including the collection and use of the information they gather in order to manage and administrate the Program.

1.2 Application. By submitting the Application you are expressing your desire to participate in the Program through which you may promote certain Publisher web site links, products, promotions and are paid Referral Fees for Qualified Purchases of the Program (as those terms are defined in Article 6) that are made as a direct result of your promotion. As part of the Application you must submit the principal address of your web site (the "Website") upon which you desire to place the Publisher Links (as defined in Article 2). You represent and warrant that: (i) the information submitted in the Application is truthful and accurate; (ii) the person submitting the Application is at least 18 years old; (iii) in the event you are an entity, the person submitting the Application has the full right, power and authority to enter into this Agreement on behalf of such entity; and (iv) the execution of this Agreement by such person, and the performance by you of your obligations and duties hereunder, do not and will not violate any agreement to which you are a party or by which you are otherwise bound. You acknowledge that Publisher makes no representations, warranties or agreements related to the subject matter hereof that are not expressly provided for in this Agreement. Publisher will evaluate the Application and will notify you of Publisher's acceptance or rejection of the Application in a timely manner. Publisher may reject the Application if the Website is deemed, in Publisher's sole discretion, to be unsuitable for the Program. Unsuitable web sites include, but are not limited to, those that:

- display or provide content that is grossly offensive to the communities served by your Website, including blatant expressions of bigotry, prejudice, racism, hatred or excessive profanity or post any obscene, lewd, lascivious, filthy, excessively violent, harassing or otherwise objectionable content;
- display or provide content containing pornographic material;
- sell or promote any products or services that are unlawful in the location at which the content is posted or received;
- introduce viruses, worms, harmful code and/or Trojan horses on the Internet;
- post any content or otherwise infringe in any way or violate any copyright, patent, trademark, service mark, trade name, trade secret or other intellectual property right of any third party;
- post any content that holds Publisher open to public scorn or ridicule; or

- post or disclose any personally identifying information or private information about children or any third parties without obtaining their consent in a legally sufficient way (or their parents consent in case of a minor).

2. Linking With Publisher and Use of Publisher Links. In the event your Application is accepted by Publisher, you may use (to the extent provided in Article 4 below) the electronic graphic artwork, text and corresponding links to Publisher's products (collectively the "Publisher Links") available at <http://www.affiliateshop.com> (the "Reporting Site") as necessary to participate in the Program. The Reporting Site will identify the Publisher Links which will allow you the opportunity to earn a Referral Fee ("Fee Links"). The Reporting Site may also give you the option of using Publisher Links which will not result in any compensation to you. Publisher will provide the HTML for the Publisher Links at the Reporting Site. It is the Publisher Links, that will make it possible to track and report all of the Qualified Purchases (as defined in Article 5) acquired through your Website; provided that cookies have not been disabled on the web browser being used to link to Publisher web site. It is your responsibility to integrate the Publisher Links into your Website properly in accordance with the instructions available at the Reporting Site, and Publisher shall not be liable to you with respect to your failure properly to integrate the Publisher Links into your Website, including to the extent such failure may result in any reductions of amounts that would otherwise be paid to you under this Agreement. You agree not to modify any Publisher Links in any way without the express written permission of Publisher. You may only display the Publisher Links on your Website, and if you have multiple web sites other than the Website, you must submit an Application for each such web site to display the Publisher Links on such web site. Without limiting the foregoing, and without the Publisher's written consent, you shall not promote or otherwise announce the availability of the Publisher Links on your Website anywhere other than within your Website including, but not limited to, using the Publisher Links in e-mail and promoting or otherwise announcing the availability of the Publisher Links on your Website through e-mail.

3. Your Website. You are solely responsible for, and Publisher hereby disclaims all liability for, the development, operation and maintenance of, and all costs associated with, your Website, any content thereon and any equipment therefor. You hereby agree that your Website shall not, in any way, copy or resemble the look and feel of, or create the impression that it is, part of Publisher's or its referrals' or subsidiaries' web sites. You agree that your Website shall not engage in any of the activities listed in Article 1.

4. Limited License to Use Publisher Links. Publisher hereby grants to you a nonexclusive, revocable license to display on your Website the Publisher Links solely as necessary for, and for the purpose of, promoting the products associated with the Publisher Links as set forth at the Reporting Site and identifying you as a participant in the Program. To the extent, if any, that Publisher Links contain Publisher's trademarks, service marks or trade names, you shall not use such marks in a manner that might be deemed to create a unitary composite mark. You agree not to use the Publisher Links in a manner that is, or otherwise include materials on your Website that are, disparaging of Publisher. Publisher reserves all proprietary rights in and to the Publisher Links not expressly granted herein. You acknowledge that all use of the Publisher Links by you inures solely to the benefit of Publisher and that you do not acquire any rights in the Publisher Links as a result of such use. You will remove any outdated Publisher Links immediately upon our request. We may update these guidelines at any time prior notice to you and you will update immediately according to any revisions to our guidelines. You agree this license can be revoked at any time for any or no reason upon notice by Publisher to you (regardless of termination of this Agreement) and you agree upon receipt of such notice immediately to cease using all Publisher Links.

5. Marketing

5.1 You may market, distribute and sell the Products only by means of your approved website(s) ("Approved Website"). The Study Group reserves the right to approve all content appearing on your Approved Website which describes The Study Group or their Products. You may nevertheless advertise the Products on websites other than the Approved Website (including on the results pages of search engines such as Google, Yahoo, MSN and AOL), provided that (a) all expenses incurred by you with respect to creating advertising materials and advertising the Products shall be borne exclusively by you, and (b) all such advertising is subject to the prior written approval of The Study Group. In the event that The Study Group determines, in the exercise of its sole judgement, that any description of The Study group or the Products appearing on your Approved Website or any advertising created by or for you is inappropriate for publication and should be removed, you shall promptly remove such content following receipt of written notice from The Study Group.

5.2 All advertising in any medium is subject to the prior written approval of The Study Group.

6. Referral Fees and Payments

6.1 Qualified Purchases. Referral Fees will be paid to you for Qualified Purchases. A “Qualified Purchase” is any purchase of Publisher products as a direct result of your promotion of the Publisher products by linking from one of the Fee Links on your Website and for which Publisher has received full payment. Notwithstanding the foregoing, no Referral Fees will be paid for purchases made by persons who have disabled the use of cookies within their web browsers and are subsequently not accounted for in the Reporting Site. Such persons are deemed to be direct customers of Publisher, will not be included on the Reporting Site, and will not contribute to the Referral Fees generated under the Program.

6.2 Referral Fees. Referral fees shall be (i) £0.10GBP for all enquiries received as defined in Appendix 1. (ii) £50GBP for all bookings processed and accepted by our International Admissions Centre (IAC) and (iii) £250 for all student arrivals where full payment has been received by Study Group by the student. Referral Fees will be adjusted downwards if (i) the student cancels at any time; or (ii) Publisher determines that a purchase for which you received a Referral Fee was made fraudulently including, but not limited to, the use of stolen credit cards, general charge-backs, and any other instances that cause us to credit a customer's account.

6.3 Cookie Duration. End users referred by you will be marked with cookies of a 30 day duration, provided cookies have not been disabled by the end user. Affiliates will not be compensated for any Qualifying Purchases made by an end user who can't be identified after the 180 day cookie has expired or been removed.

6.4 Payment of Referral Fees. When the total Referral Fees due to you exceed a minimum amount set by you, Study Group will provide payment via your PayPal account for the applicable amount (less any taxes required to be withheld under applicable law). If, at the end of the month, the Referral Fees due to you is less than the minimum amount, Study Group will roll your balance over to the next month. Publisher may choose to adjust the Fee for a particular period of time or for particular types of Publisher products. Publisher will either provide you notice of such Fee changes to the e-mail address in your Application or will post notice of such change on the Reporting Site. You acknowledge that Publisher may offer a Fee to other participants in the Program that is different than the Fee you receive. Nothing in the foregoing shall limit Publisher's ability to change the minimum Fee contained herein in accordance with Article 9.

6.5 Liability for payment. Publisher's sole obligation in regards to remitting payment to you for the payments described in Sections 6.1 through 6.3 shall be to mail such payment to the address provided in your Application or in the event your address changes, to the address thereafter submitted at the Reporting Site. You are solely responsible for assuring your address of record is current and correct. In the event a payment sent to such address is returned to Publisher for any reason other than an error in such address on the part of Publisher, you hereby waive any rights to receive such payment. Publisher shall not be liable for any payment to you if Publisher deems that you have engaged in any fraudulent or criminal activity in connection with the Program.

7. Reporting. On an ongoing basis, we will provide you with a report accessible through a password protected portion of the Reporting Site. You are solely responsible for the security and use of your password. This includes responsibility for unauthorized access by third parties. You agree you shall not disclose your passwords to anyone not authorized to act on your behalf. You agree to notify Publisher immediately in writing of any breach in password security if you suspect any misuse of the passwords. Through the Reporting Site, Publisher shall provide you with a daily report setting forth the number clickthroughs to Publisher's web site that were generated from the Publisher Links on your Website, and the number of Qualified Products purchased from Publisher through your Website. The form, content and timing of the foregoing report may vary from time to time in Publisher's sole discretion.

8. Policies and Pricing. Customers purchasing Publisher products through the Program will be deemed Publisher's customers. All rules, policies, terms, and conditions and operating procedures concerning Student bookings, customer service, and Publisher product sales will apply to those customers. Publisher may change our policies and operating procedures, including pricing, at any time. Publisher, at its sole discretion, will determine the prices to be charged for products sold under the Program in accordance with

our own pricing policies. You may not include price information on your site unless pricing information is made available on links we provide. Prices and availability of Publisher products may vary from time to time. Publisher will use commercially reasonable efforts to present accurate information, but we cannot guarantee the availability or price of any particular product.

9. Modification of This Agreement. Publisher may modify any terms and conditions in this Agreement, including any amounts payable as Referral Fees under Article 6, at any time in its sole discretion by posting a notice or a new Agreement on the Reporting Site, but such new Agreement shall be effective no sooner than five (5) days after such notice or new Agreement is posted on the Reporting Site. YOUR SOLE REMEDY AND RECOURSE IN THE EVENT ANY SUCH MODIFICATION IS UNACCEPTABLE TO YOU IS TO TERMINATE THIS AGREEMENT, PROVIDED THAT PUBLISHER SHALL PAY TO YOU ALL AMOUNTS DUE TO YOU PRIOR TO YOUR TERMINATION IN ACCORDANCE WITH SECTION 13.1. Notwithstanding the five (5) day notice period for termination provided in Article 11, such termination by you in the event of a modification shall be effective immediately upon receipt by Publisher of notice thereof. Your continued participation in the Program after such five (5) day period has passed shall constitute acceptance of the modifications.

10. Press Releases; Publicity. You may not announce your use of the Publisher Links on your Website unless you first receive Publisher's prior written approval of such announcement. Publisher may announce your use of the Publisher Links on your Website in its sole discretion.

11. Term and Termination. This Agreement shall be effective on the date Publisher accepts the Application and shall continue until either party terminates this Agreement as set forth herein (the "Term"). Either party may terminate this Agreement at any time for any or no reason upon five (5) days notice, (i) in the case of termination by Publisher, to you at either, at Publisher's option, the e-mail address contained in the Application or by posting such notice on the Reporting Site, and (ii) in the case of termination by you, to Publisher at the following email address: affiliate@studygroup.com. Notwithstanding the foregoing, Publisher may terminate this Agreement immediately in the event (i) you breach this Agreement; or (ii) if you go into liquidation or file for bankruptcy or suffer any similar action in consequence of debt.

12. Limitation of Liability; Disclaimer; Indemnification.

12.1 Liability. UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), ARISING IN CONNECTION WITH THIS AGREEMENT, EVEN IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES (COLLECTIVELY, "DISCLAIMED DAMAGES"); PROVIDED THAT YOU SHALL REMAIN LIABLE TO PUBLISHER TO THE EXTENT ANY DISCLAIMED DAMAGES ARE CLAIMED BY A THIRD PARTY AND ARE SUBJECT TO INDEMNIFICATION PURSUANT TO SECTION 12.4. PUBLISHER SHALL NOT BE HELD LIABLE IN ANY PART FOR FAILURE OF COMMISSION JUNCTION TO MAINTAIN SERVICE. IN NO EVENT SHALL THE LIABILITY OF PUBLISHER IN CONNECTION WITH THIS AGREEMENT FOR DAMAGES NOT EXCLUDED IN THE IMMEDIATELY PRECEDING SENTENCE EXCEED THE AMOUNT PAID OR PAYABLE BY PUBLISHER TO YOU UNDER THIS AGREEMENT.

12.2 LIMITATION ON SPECIFIC DAMAGES. IN NO EVENT SHALL PUBLISHER, OR ITS DIRECTORS, OFFICERS, SHAREHOLDERS OR AFFILIATES, BE LIABLE TO YOU FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OR LOSSES (INCLUDING DAMAGES OR LOSSES RELATED TO DELAYS, LOSS OF DATA OR INTERRUPTION OF SERVICE) OR FOR LOSS OF PROFITS, ANTICIPATED SAVINGS, BUSINESS OPPORTUNITY OR GOODWILL, EVEN IF PUBLISHER OR ITS DIRECTORS, OFFICERS, SHAREHOLDERS AND AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF A LIMITED REMEDY IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

12.3 NO LIMITATION OF LIABILITY FOR DEATH OR PERSONAL INJURY. NOTWITHSTANDING SECTIONS 12.1 AND 12.2, NOTHING IN THIS AGREEMENT SHALL EXCLUDE EITHER PARTIES LIABILITY FOR DEATH OR PERSONAL INJURY ARISING FROM NEGLIGENCE.

12.4 Indemnification. You agree to defend, indemnify and hold harmless Publisher, its subsidiaries and referrals, and their respective officers, directors, agents, distributors, franchisees and employees against any loss, damage, expense, or cost, including reasonable attorneys fees (including allocated costs for in-house legal services) arising out of any claim, demand, action, suit, investigation, arbitration or other proceeding by a third party ("Liabilities") based on (i) your material breach of any covenant, duty, representation, or warranty of this Agreement, (ii) materials contained on your Website (including any allegation that such materials infringe a third party's proprietary rights), (iii) any covenant, representation or warranty made by you regarding Publisher's web site or Publishers products or services, and (iv) any claims that are otherwise related to your Website and the content thereon.

13. Confidentiality.

13.1. Confidentiality Obligations. Each party shall hold the Confidential Information of the other in confidence and protect the same with at least the same degree of care, but no less than reasonable care, with which it protects its own most sensitive confidential information. Each party shall use the Confidential Information of the other solely in connection with the exercise of its rights and the performance of its obligations under this Agreement, and shall restrict disclosure of and access to the Confidential Information of the other to such party's Personnel that require access to such Confidential Information in connection with this Agreement. Each party shall require its personnel to comply with the obligations of confidentiality set forth herein and shall be liable for any failure by its Personnel to so comply.

13.2. Exceptions to Confidentiality Obligations. Each party's obligations pursuant to Section 14.1 shall not apply to Confidential Information of the other party that (a) was in the public domain prior to the Effective Date or subsequently came into the public domain through no fault of the receiving party; (b) was lawfully received by the receiving party from a third party free of any obligation of confidence; (c) was already in the lawful possession of the receiving party prior to receipt from the disclosing party; (d) is required to be disclosed by law, provided that the party seeking disclosure provides prior written notice of such disclosure to the other party and takes all reasonable and lawful actions to avoid and/or minimise the extent of such disclosure; or (e) the receiving party can show by a preponderance of documentary evidence was subsequently and independently developed by its employees, consultants or agents without reference to the Confidential Information of the disclosing party.

13.3. Residual Information. In no event shall you be precluded from independently developing for yourself, or for others, materials which are competitive with, or similar to, the Deliverables; provided that such activity does not constitute a breach of Section 14.1. In addition, You shall be free to use its general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques that are acquired or used in the course of providing the Services; provided that any such general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques are retained in the unaided memories of individuals without the need for reference to any tangible material (whether written or stored in electronic or physical form or which is otherwise fixed).

13.4. Equitable Relief. Each party agrees that, in the event of a breach by the other party of Section 14 of this Agreement, the non-breaching party may not have an adequate remedy solely in money damages and any such breach will cause the non-breaching party irreparable harm. In the event of such breach, each party agrees that the non-breaching party shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including to an injunction or specific performance.

14. Miscellaneous.

14.1 Survival. Articles 12, 13 and 14 shall survive the expiration or termination of this Agreement. Additionally, to the extent this Agreement is not terminated as a result of fraud relating to the Program by you or otherwise as a result of your breach of this Agreement, Publisher's obligation to pay Fees shall survive for so long as is necessary to account for Fees generated from Qualified Products properly registered prior to the date of termination.

14.2 Applicable Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of England and Wales. Except as otherwise expressly provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by applicable law. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

14.3 Excuse. Neither party will be liable for, or be considered in breach of or default under this Agreement on account of, any delay or failure to perform as required by this Agreement as a result of any causes or conditions which are beyond such party's reasonable control and which such party is unable to overcome by

the exercise of reasonable diligence. Both parties will be released from their respective obligations in the event of national emergency, war, prohibitive governmental regulations or if any other cause beyond the reasonable control of the parties renders performance of the agreement impossible whereupon all money due to either of the parties shall be paid immediately and you shall cease to promote the product immediately

14.4 No Waiver. Any failure of either Party to insist upon or enforce performance by the other Party of any of the provisions of this Agreement or to exercise any rights or remedies under this Agreement will not be interpreted or construed as a waiver or relinquishment of such Party's right to assert or rely upon such provision, right or remedy in that or any other instance; rather the same will be and remain in full force and effect.

14.5 Assignment. You shall not assign this Agreement or any right, interest or benefit under this Agreement without the prior written consent of Publisher.

14.6 Injunctive Relief; Remedies. You acknowledge a violation of this Agreement could cause irreparable harm to Publisher for which monetary damages may be difficult to ascertain or an inadequate remedy. You therefore agree that Publisher will have the right, in addition to its other rights and remedies, to seek and obtain injunctive relief for any violation of this Agreement. Except where otherwise specified, the rights and remedies granted to a party under this Agreement are cumulative and in addition to, and not in lieu of, any other rights or remedies which the party may possess at law or in equity.

14.7 Notification. You shall keep Publisher informed in advance of any notifications, reports, filings, registrations and other documents required to be submitted to any government authority in the Territory in connection with this Agreement or the Products.

14.8 Relationship of Parties. You and Publisher 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 (a) have no authority to make or accept any offers or representations on our behalf and (b) not make any statement, whether on your Website or otherwise, that reasonably would contradict anything in this Section. You will be responsible for providing any salary or other benefits to your employees and consultants, will make all appropriate tax and other withholding deductions and payments and will make all appropriate unemployment tax payments.

14.9 Dispute Resolution. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to mediation in London. If mediation is not successful, said dispute shall be referred to final and binding arbitration to be conducted under the Rules of the London Court of International Arbitration (which Rules are deemed to be incorporated by reference into this clause) in effect from time to time. The tribunal shall consist of a single arbitrator appointed by mutual agreement of the parties. If the parties cannot agree on the appointment of an arbitrator within ten (10) days of the initiation of formal dispute resolution procedures, the arbitrator shall be appointed by the London Court of International Arbitration. The place of arbitration shall be London, England. Unless the arbitrator shall determine otherwise, the costs of the arbitration shall be borne by the parties equally and each party shall bear its other legal costs, including the fees of its attorneys. The arbitrator shall issue an award within six months of the filing of the notice of intention to arbitrate. This time limit may be extended by agreement of the parties or by the arbitrator if necessary. Either party may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party or to preserve the subject matter of the dispute, pending the selection of arbitrators or pending the arbitrator's issuance of an award.

14.10 Except as expressly set forth herein, nothing in this Agreement shall be construed as giving any person or entity, other than the parties hereto and their successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provision hereof, provided that the Third Party Providers shall be third-party beneficiaries to this Agreement.

14.11 Acknowledgment. You acknowledge that you have read this Agreement and agreed to all the terms and conditions. You understand that Publisher may at any time (directly or indirectly) solicit customer referrals on terms that may differ from those contained in this Agreement, and Publisher and its referrals and subsidiaries may operate web sites that compete with your Website. You further agree that this document and any invoices arising under it, constitute the complete and entire agreement between the parties regarding their subject matter