



AFFILIATE REFERRAL AGREEMENT

This Standard Affiliate Referral Agreement (the “Agreement”) is entered into as of:

(the “Effective Date”), by and between:

Bizarre Bunny Inc., a corporation organized under the laws of the State of California, with offices located at 3400 Cottage Way, Ste G2 #14221, Sacramento, CA 95825 (the “Company”); and:

(the “Affiliate”), an individual or entity residing/organized at:

The Company and the Affiliate may each be referred to as a “Party” and collectively as the “Parties.”

1. PURPOSE

The Company and its licensed branch operators (collectively, “Bizarre Bunny Studios”) provide creative, marketing, and production services to corporate and commercial clients (each engagement, a “Project”). The Affiliate has agreed to introduce potential Project clients to the Company or its licensed branch operators in exchange for compensation as set forth herein. This Agreement governs the terms of that referral relationship.

2. DEFINITIONS

- (a) (a) **“Project Agreement”** means the definitive written agreement (including a statement of work, service order, or equivalent document) between the Company or a licensed branch operator and a Client setting forth the scope, deliverables, timeline, and fees for a Project.
- (b) (b) **“Project Fees”** means the total fees payable by a Client under a Project Agreement for the initial Project engagement, subject to change based on the scope and nature of the Project.
- (c) (c) **“Client”** means a corporate, commercial, or institutional entity that engages Bizarre Bunny Studios for Project work.
- (d) (d) **“Qualified Referral”** means a prospective Client that (i) is introduced to the Company or a licensed branch operator by the Affiliate in writing in advance of any other contact between such prospect and the Company or branch, (ii) is not already in the Company’s or the relevant branch’s active sales pipeline or known to the Company or branch at the time of introduction, and (iii) executes a binding Project Agreement within twelve (12) months of the date of the Affiliate’s written introduction.

- (e) **“Net Project Fees Collected”** means Project Fee payments actually received by the Company or the relevant licensed branch operator from a Client in connection with the initial Project engagement, net of any refunds, chargebacks, or third-party pass-through costs directly attributable to the Project.

3. APPOINTMENT AS AFFILIATE

The Company hereby appoints the Affiliate as a non-exclusive referral affiliate for the purpose of introducing potential Clients to the Company and its licensed branch operators for Project work. The Affiliate accepts such appointment and agrees to perform under the terms of this Agreement. The Affiliate has no authority to enter into any agreement on behalf of the Company or any branch operator, to negotiate Project Agreement terms, or to bind the Company or any branch operator in any way.

The Affiliate is an independent contractor and not an employee, agent, joint venturer, or partner of the Company. The Affiliate shall be solely responsible for all tax reporting and payments, including self-employment taxes. The Company will report compensation paid to the Affiliate on IRS Form 1099-NEC (or successor form) where required by law. Nothing in this Agreement creates an employment relationship, and the Affiliate is not entitled to any employee benefits.

Where the Affiliate is based in the European Union or European Economic Area, the Affiliate confirms that they operate as a self-employed service provider under applicable local law. The Affiliate is solely responsible for registering with relevant tax authorities, reporting income, and remitting any applicable taxes, including VAT/GST where required. The Affiliate shall provide a valid VAT identification number upon request. The parties acknowledge that this Agreement does not constitute an employment contract under the laws of any EU/EEA member state.

4. REFERRAL PROCESS

To establish a Qualified Referral, the Affiliate shall submit each potential Client to the Company in writing, including at minimum: (i) the name of the prospect, (ii) the prospect’s primary contact information, (iii) the prospect’s business or organization name, and (iv) a brief description of the introduction context and the anticipated Project need, if known. The Company shall confirm receipt of the referral within five (5) business days and shall indicate whether the referral qualifies as a Qualified Referral hereunder. The Company’s good-faith determination shall be final, subject to the audit rights set forth in Section 9.

5. COMPENSATION

- (a) **Non-Managed Referral Fee. [defined as a one-time introduction with no ongoing client engagement]** In consideration of each Qualified Referral that results in an executed Project Agreement, the Company shall pay the Affiliate a referral fee calculated as follows: (i) ten percent (10%) of Net Project Fees Collected from such Client during the first six (6) months following the execution of the initial Project Agreement (the "Initial Period"); and (ii) five percent (5%) of Net Project Fees Collected from such Client during each subsequent twelve-month period thereafter (collectively, the "Referral Fee"). The Referral Fee shall apply to all Projects, change orders, and follow-on engagements with the referred Client, regardless of scope or service line. All payments after an accrued total of \$600 will require a 1099-NEC to be filed by and with the referrer.

(b) **Managed Referral Fee** [defined as a referral of a client under ongoing management and services by the referring party, requiring contiguous project engagement and sales efforts]

In consideration of each Qualified Referral that results in an executed Project Agreement, the Company shall pay the Affiliate a referral fee calculated as follows:

- (i) ten percent (10%) of Net Project Fees Collected from such Client during the first six (6) months following the effective date of the applicable Project Agreement;
- (ii) five percent (5%) of Net Project Fees Collected from such Client during months seven (7) through twelve (12) following the effective date of the applicable Project Agreement;
- (iii) two and one-half percent (2.5%) of Net Project Fees Collected from such Client on an ongoing basis thereafter, for the remaining duration of the Client relationship, subject to the terms of this Agreement.

The Referral Fee shall apply to all Projects, change orders, and follow-on engagements with the referred Client, regardless of scope or service line. All payments after an accrued total of \$600 will require a 1099-NEC to be filed by and with the referrer. Referrer is entitled to secondary position affiliate fees (the Company provides NO tertiary affiliate fees), if the client becomes a primary referrer as follows:

- (iv) two point five percent (2.5%) of net project fees for a subsequent affiliate agreement (such agreement will list the secondary position affiliate in the addendum).

(c) **Payment Schedule.** Referral Fees shall be calculated monthly based on Net Project Fees Collected during the preceding calendar month. All accrued Referral Fees shall be paid in a single batch disbursement on the last day of calendar month for the immediately preceding month's collections. If the last calendar day falls on a weekend or federal bank holiday, payment shall be made on the next succeeding business day.

Notwithstanding the foregoing, if accrued Referral Fees for a given period are less than fifty dollars (\$50.00), the Company may carry the balance forward to the next payment cycle until the minimum threshold is met.

(d) **Payment Cessation.** The Company's obligation to pay Referral Fees with respect to any individual Client shall cease upon the earlier of (i) the full payment by the Client of the Project Fees owed under the initial Project Agreement, (ii) termination of the initial Project Agreement, or (iii) twelve (12) months following the execution of the initial Project Agreement, whichever occurs first.

(e) **Currency and Withholding.** All payments under this Agreement shall be made in U.S. Dollars and are subject to any applicable tax withholding obligations. This subsection shall also apply to disputes arising under Section 5(f).

(f) **Chargebacks and Clawbacks.** If a Client payment on which a Referral Fee was calculated or paid is subsequently reversed due to a credit card chargeback, dispute, or payment failure, the Company shall be entitled to deduct the corresponding Referral Fee amount from future payments owed to the Affiliate. A credit card processing fee of three and one-half percent (3.5%) of the reversed transaction amount shall also be deducted. Where

the Company has extended financing to a referred Client in an amount not to exceed five thousand dollars (\$5,000.00), chargeback deductions shall apply to the full financed amount. If no future payments are sufficient to cover the deduction, the Affiliate shall remit the outstanding balance to the Company within thirty (30) days of written notice.

(f) **Disputes.** In the event of a payment dispute, the Affiliate shall provide written notice to the Company within thirty (30) days of receiving the disputed payment statement. The Parties shall negotiate in good faith to resolve the dispute. Failure to provide timely written notice shall constitute acceptance of the payment statement.

6. NO EQUITY COMPENSATION

Except as may be expressly agreed in a separate written instrument signed by both Parties, no equity, profit-sharing interest, or ownership stake in the Company is granted, implied, or contemplated by this Agreement. All compensation hereunder is limited to the Referral Fees described in Section 5.

7. AFFILIATE OBLIGATIONS

The Affiliate shall:

- Conduct all referral activities in a professional manner consistent with the Company's reputation and brand;
- Make no representations regarding the Company, its licensed branch operators, Project capabilities, pricing, or terms other than those expressly approved in writing by the Company or contained in materials provided by the Company for affiliate use;
- Comply with all applicable laws and regulations, including those governing referral fee disclosures, anti-bribery and anti-corruption, and data privacy;
- Promptly disclose to any prospective Client, prior to introduction, the Affiliate's compensation arrangement with the Company in sufficient terms to comply with applicable law and to avoid any conflict of interest;
- Not engage in any unsolicited communications (including "spam" email or messaging) in violation of applicable law in furtherance of activities under this Agreement.
- Not seek, accept, or receive any fee, commission, reimbursement, or other compensation of any kind directly from any Client or prospective Client in connection with a referral or introduction made under this Agreement. The Affiliate's sole source of compensation for referral activities shall be the Referral Fee paid by the Company pursuant to Section 5.

8. NON-CIRCUMVENTION

The Affiliate shall not, during the term of this Agreement and for twelve (12) months thereafter, directly or indirectly, induce, solicit, or otherwise encourage any Client introduced to the Company or a licensed branch operator by the Affiliate to terminate or modify its Project Agreement, to engage a competing service provider for substantially similar work, or to otherwise circumvent the Company's or any branch operator's relationship with such Client.

9. RECORDS AND AUDIT

The Company shall maintain accurate records of all Net Project Fees Collected from Clients introduced by the Affiliate and shall make a summary of such records available to the Affiliate upon reasonable written request, no more frequently than once per calendar quarter. The Affiliate shall have the right, at the Affiliate's expense and upon thirty (30) days' prior written notice, to

engage an independent certified public accountant to audit the relevant records, no more frequently than once per calendar year.

10. CONFIDENTIALITY

The Affiliate acknowledges that in performing under this Agreement, the Affiliate may receive non-public information regarding the Company, its licensed branch operators, its Clients, its business strategy, financial information, customer lists, and other proprietary matters (collectively, "Confidential Information"). The Affiliate agrees to maintain the confidentiality of all Confidential Information during the term of this Agreement and for a period of three (3) years thereafter, and to use such Confidential Information solely for the purpose of performing under this Agreement.

11. INDEPENDENT CONTRACTOR

The Affiliate is engaged as an independent contractor and not as an employee, partner, joint venturer, or agent of the Company. Nothing in this Agreement shall be construed to create any such relationship. The Affiliate is solely responsible for all taxes, insurance, and other costs associated with the Affiliate's activities hereunder.

12. TERM AND TERMINATION

- (a) **Term.** This Agreement shall commence on the Effective Date and continue until terminated by either Party in accordance with this Section 12.
- (b) **Termination for Convenience.** Either Party may terminate this Agreement at any time and for any reason upon thirty (30) days' prior written notice to the other Party.
- (c) **Termination for Cause.** Either Party may terminate this Agreement immediately upon written notice in the event of (i) a material breach of this Agreement by the other Party that remains uncured for fifteen (15) days following written notice of such breach, or (ii) the other Party's insolvency, bankruptcy, or assignment for the benefit of creditors.
- (d) **Effect of Termination.** Upon termination of this Agreement, the Affiliate shall cease all referral activities. The Affiliate's right to receive Referral Fees with respect to Qualified Referrals that resulted in executed Project Agreements prior to the effective date of termination shall survive termination, subject to the limitations in Section 5.

13. LIMITATION OF LIABILITY

EXCEPT FOR BREACHES OF SECTIONS 8 (NON-CIRCUMVENTION) AND 10 (CONFIDENTIALITY), AND TO THE FULLEST EXTENT PERMITTED BY LAW, EACH PARTY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE TOTAL REFERRAL FEES PAID OR PAYABLE TO THE AFFILIATE UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

14. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict-of-laws principles. Any dispute arising out of or in

connection with this Agreement shall be resolved through binding arbitration administered by JAMS in Sacramento, California, in accordance with its commercial arbitration rules.

15. GENERAL PROVISIONS

(a) **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written.

(b) **Amendments.** No amendment or modification of this Agreement shall be effective unless in writing and signed by both Parties.

(c) **Assignment.** The Affiliate may not assign or transfer this Agreement, in whole or in part, without the prior written consent of the Company. The Company may assign this Agreement in connection with a merger, acquisition, or sale of substantially all of its assets.

(d) **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

(e) **Counterparts and Electronic Signature.** This Agreement may be executed in counterparts, including by electronic signature, each of which shall be deemed an original and which together shall constitute one and the same instrument.

(f) **Notices.** All notices under this Agreement shall be in writing and shall be deemed given when delivered personally, sent by certified mail (return receipt requested), or sent by email with confirmed receipt, to the addresses set forth above or such other address as a Party may designate in writing.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

By: **Bizarre Bunny Inc.**
Name: **Tim Morris and/or Jon Boden**
Title: **Owner(s)**
Date:

Sign:

AFFILIATE

Name:
Title (if applicable):
Date:

Sign: