

## Nonexclusive License Agreement

The following terms of this Nonexclusive License Agreement ("Agreement") apply if you create products with the Kraftwurx system and or customization tools and/or publish a Design to be displayed and/or offered for sale on websites owned or operated by or for Kraftwurx (the "Site"). "Design" means any and all artwork, photographs, sketches, drawings, text, 3D models or other files, and digital images that you send to Kraftwurx for placement on the Site or on physical or electronic products made by or for Kraftwurx ("Products").

**Licenses.** By uploading Designs to the Site or creating Designs with Kraftwurx, you grant the following licenses to Kraftwurx : the nonexclusive, worldwide, transferable, sub-licensable right to use, reproduce, publicly display, sell, and distribute the Design in or on Products and in advertising, marketing, samples, and promotional materials for the purpose of promoting the Site and Products; and the right to make modifications to your Design as necessary to prepare your Design for use in a particular Product category if you agree that your Design may be used in such category. If you select the "customizable" option, you also agree that Kraftwurx and its customers may make changes to the Design for the purposes of creating and ordering Products.

You may remove your Design from the Site at any time, and you retain all copyright and other intellectual property rights in your Design. Upon the removal of a Design, the licenses above will terminate, except that Kraftwurx will fulfill any orders placed prior to termination and Kraftwurx may continue to use your Design in marketing and promotional materials if such materials were printed prior to removal of the Design.

**Tags and Descriptions.** At the time you publish a Product, you will be asked to provide information (title, description, tags, categories) about your Design so that visitors to the Site can search and find relevant products. You will make best efforts to provide accurate, non-misleading information about your Designs and you will not submit unrelated information in connection with your Design for any purpose. If Kraftwurx determines that information is misleading or inaccurate or that it violates the rights of a third party, Kraftwurx may delete such information or your Design, in its sole discretion.

**Pricing.** Kraftwurx determines the prices at which Products are sold on the Site. The actual retail price for Products incorporating your Designs may vary based upon Your Royalty/commission Rate.

**Royalty.** Kraftwurx will pay you a royalty for all sales of public Products incorporating your Design ("Royalty"). You have the option of selecting any royalty rate between 1% and 35% (in increments of 1%) for each of your Designs as incorporated in each Product category ("Your Royalty Rate"). Kraftwurx list prices are based upon your Royalty Rate.

**Ineligible Sales.** Kraftwurx will not pay you a Royalty for sales of any Products which incorporate a Design that violates any terms of service, use or license Agreement on the Kraftwurx website. For example, if Kraftwurx discovers that one of your Designs infringes someone else's copyright or that you do not have the right to use the Design, Kraftwurx reserves the right to reverse all Royalties for such Designs, whether due or already paid.

**Statements and Payments.** Royalties are payable for all sales of Products incorporating your Design. Kraftwurx maintains a statement of Your Royalties (both pending and paid). You may check your statement from your sellers control panel. Kraftwurx will pay Your Royalty in accordance with the selections you make in the "commission markup settings" for your account.

Kraftwurx offers the following payment terms to sellers:

1. Payment is made to you at the end of each month via PayPal for all transactions that have been delivered to the customer.
2. Payments are not made if your account balance is below \$100. Once your account reaches \$100 in royalties, we will send you the entire balance.
3. We will make minimum balance withdrawals available (less than \$100) manually in the future. In the mean time, you may contact us to arrange payments.
4. We currently only provide PayPal payments.

**Marketing & Promotions.** Kraftwurx may market, promote, and sell Products on the Site, on other websites, and/or through distributors and wholesale or retail channels. Kraftwurx may run promotions (including volume discounts and special sales discounts). Kraftwurx is responsible for the cost of promoting the offer and producing and fulfilling the orders, and you acknowledge that your Royalty will be based on the amount of revenue Kraftwurx actually receives for the sale of Products.

**Representations.** You represent that:

- You are the owner of the Design or that the Design is in the public domain; and
  - You have the legal right grant this license to Kraftwurx and to enter into this Agreement;
- and
- To your knowledge, no one else claims ownership of, or exclusive rights to, the Design;
- and
- The Design does not infringe the privacy, celebrity, moral or other rights of any third party;
- and
- The Design is not defamatory or obscene; and
  - The Design does not contain any defamatory, obscene or discriminatory content or any illegal material; and
- Kraftwurx may legally make and sell Products incorporating the Design without infringing the rights of any third party and without being obligated to make any payments to, or obtain any permission from, any third party.