

Commission Junction Overview of Network Quality

What is Network Quality and Why is it Important to You?

Network quality represents Commission Junction's commitment to maintaining a value-driven and ethical environment for pay-for-performance marketing programs. A team of skilled individuals with 20 years of combined experience in network quality uses defined policies and procedures and advanced technology to facilitate the day-to-day application of Commission Junction's dedication to our network. These efforts enable publishers and advertisers to thrive in a secure and well-monitored network, without the hassle and expense of allocating their own resources for compliance. Commission Junction is proud to monitor billions of transactions (clicks, leads and sales) each year and remains focused on promoting activities that sustain the value of the CJ Marketplace for its clients.

Our Approach to Network Quality

As the world's largest pay-for-performance ad network, Commission Junction is widely recognized as an industry leader in the performance-based marketing industry. This success stems from the development of innovative systems, technology and services offered through the CJ Marketplace. Since the company's inception in 1999, Commission Junction has been fanatical about quality, focusing not only on growing the network but also on creating a secure space for valuable relationships to prosper. Understanding the value of a client's brand, Commission Junction allocates significant resources to ensuring your marketing dollars are not wasted on illegitimate business models, unqualified traffic or down/lost tracking but are put to good use – driving valuable results through pay-for-performance marketing.

Our passion for network quality is evidenced our sophisticated detection and prevention technologies and the advocacy of clear ethical standards. Commission Junction is recognized as a leader in quality affiliate marketing and, with the direct involvement of its network quality team, spearheaded the development of the industry's Code of Conduct (COC) in 2002. We take compliance seriously because security and trust are fundamental to the long-term success of our clients and sustain our business.

How We Communicate Our Network Quality Standards to Clients

Before clients join the Commission Junction network, they start by accepting the terms of our Publisher or Advertiser Service Agreements (PSA or ASA, respectively). Both advertisers and publishers are required to act in accordance with their service agreements. Our publishers are expected to follow the letter and spirit of the COC as well.

The PSA informs publishers that behavior, as stated below, is not acceptable and is grounds for removal from the network:

- Sending unsolicited commercial e-mail campaigns
- Hosting objectionable or illegal content
- Generating unwarranted clicks manually or through technology
- Using undisclosed or inaccurately disclosed software
- Keyword, trademark or brand infringement

Likewise, the ASA informs advertisers that the behavior stated below, is not acceptable and is grounds for removal from the network:

- Disabling tracking capabilities
- Selectively tracking referrals and commission payouts
- Reversing legitimate leads or sales

Commission Junction's success is built on a foundation of shared values with advertisers and publishers resulting in: the highest ethical standards and behavior, industry best practices, and relationships with consumers that provide long-term value for all clients. Upon detection of a non-compliant activity, Commission Junction quickly takes appropriate disciplinary measures, including warnings, assistance with correcting issues to reestablish compliance, and if necessary, removal from the network.

How We Enforce the Communicated Standards

Commission Junction uses a multi-pronged approach to ensuring network quality. To promote compliance, Commission Junction emphasizes prevention through ongoing education initiatives. By educating our clients about non-compliant behavior, Commission Junction empowers them to make the best program choices and establish credibility in the network, resulting in stronger affiliations. In addition, Commission Junction provides instruction on reporting suspected non-compliant activity through a variety of channels developed by our network quality team. Unlike its affiliate marketing competitors or software providers, Commission Junction's community-based monitoring efforts enable each client to participate and invest in the quality of the network, ensuring its continued security and success.

Additionally, the network quality team performs regular, system-wide monitoring of our network to detect and eradicate non-compliant behavior. Commission Junction has invested in resources and partnered with best-of-breed companies to create and maintain one of the strongest monitoring services available. On a daily basis the network quality team runs series of tests and checks to look for any signs of undesirable activities. The advantage of network wide monitoring across a multitude of affiliations allows Commission Junction to recognize patterns of suspicious behavior. If these patterns were investigated within the space of a single advertiser program, they would likely not be detected. Commission Junction's commitment to use system-wide monitoring means we can quickly locate and prevent non-compliant behavior.

Finally, for advertisers who have additional compliance needs, Commission Junction offers program-specific network quality monitoring through the CJ Associate™ solution.*

CJ Associate not only offers an array of valuable program management services but also monitors publishers joined to an advertiser's program, dealing with cases of non-compliance as they are discovered. Typical program activities include:

- Recruitment of quality publishers and daily review of transactions
- Regular communication with publishers to create loyal partnerships
- Review of publisher applications with analysis of performance and compliance
- Determination of which publisher business models would benefit the program

- Regular review of publisher activity to identify any non-compliant practices
- Ongoing communication of program standards and available creative

Proof of Our Success

Our success with monitoring, enforcing, and maintaining both advertiser and publisher quality are well-documented within Commission Junction's network statistics and among its clients. Our network quality team has been praised within the industry for its support and enforcement of strict standards for software publishers. As a whole, the efforts of our network quality team have resulted in a network of the highest caliber publishers driving quality results with a very low rate of reported non-compliant behavior incidents.

Summary

Commission Junction is dedicated to providing clients with premier pay-for-performance solutions and increased opportunities to connect with customers, in the most secure network available. Please see the following table to learn more about the publisher and advertiser activities considered to be non-compliant as well as the applicable monitoring and detection procedures utilized.

If you have further questions, please do not hesitate to contact Commission Junction's network quality team at nqmbx@cj.com.

*Subject to the terms of the advertiser's service agreement with Commission Junction.

COMMISSION JUNCTION OVERVIEW OF NETWORK QUALITY

The following table defines publisher and advertiser activities that Commission Junction considers non-compliant with the ASA, PSA or COC and describes the methods that the network quality team employs to monitor and detect them.

Publisher Activity	Definition	Network Quality Method
Unsolicited Commercial E-mail (Spam) or CAN-SPAM Non-compliance	Publishers send e-mail campaigns to users that did not provide consent or opt-in, or to e-mail lists that were purchased or obtained illegally. For campaigns with opt-in lists, the publisher must also comply with CAN-SPAM legislation, which dictates that end users should be able to opt-out of future campaigns, access privacy agreements, and receive accurate information about the e-mail campaign sender.	<ul style="list-style-type: none"> ▪ Honeypot spam monitoring ▪ Public gateway for the reporting of spam containing Commission Junction affiliate links ▪ Community policing on message boards and newsgroups ▪ Traffic/trend analysis ▪ Program audits ▪ Reporting by client
Objectionable Content	Publisher is found to be using one of the following types of non-compliant content: hate, pornography, promoting illegal activity, lack of content, profanity, trademark or brand infringement, typo squatting and cyber squatting that mislead consumers or violate trademarks or copyrights.	<ul style="list-style-type: none"> ▪ Spidering and crawling technology ▪ Traffic/trend analysis ▪ Program audits ▪ Community policing on message boards and newsgroups ▪ Reporting by client
Forced Click or Cookie Stuffing	Publisher places a referral cookie without the end user taking an affirmative action (clicking on the link or offer). Multiple forced clicks performed on a single session over a short period of time is referred to as cookie stuffing.	<ul style="list-style-type: none"> ▪ Spidering technology ▪ Traffic/trend analysis ▪ Program audits ▪ Community policing on message boards and newsgroups ▪ Reporting by client
Non-compliant Transactions	Publisher participates in one of the following types of non-compliant transactions: using an expired or stolen credit card for sale transactions, producing an abnormal number of reversals in a given period, buying and returning items to earn commissions, creating leads with false information, duplicating or stealing leads, self-inflating leads, or submitting false pixel calls to Commission Junction tracking servers to emulate actual transactions (spoofing).	<ul style="list-style-type: none"> ▪ Traffic/trend analysis ▪ Program audits ▪ Reporting by client
Undisclosed Incentive or Special Program	Publishers must disclose the following incentive or special program marketing methods: providing a gift or reward for lead submission, providing a rebate for sales transactions, placing links on third-party ad networks or sub-affiliates, and using software or desktop downloads created by pop-ups.	<ul style="list-style-type: none"> ▪ Traffic/trend analysis ▪ Program audits ▪ Reporting by client
Keyword Infringement, Trademark Infringement, or Brand Infringement	Publisher buys a registered trademark, misspelled trademark, restricted keyword or misspelled restricted keyword on a pay-per-click search engine; publisher outbids an advertiser on a keyword designated as non-compete; or publisher uses trademark and/or restricted keywords in meta tags, page copy or URL string to inflate natural search engine ranking.	<ul style="list-style-type: none"> ▪ Search engine monitoring ▪ Traffic/trend analysis ▪ Program audits ▪ Community policing on message boards and newsgroups ▪ Reporting by client
Providing False Information or Publisher Rings	Publisher creates account(s) with false information in an attempt to defraud advertisers or uses multiple accounts (publisher rings) to avoid enforcement of non-compliant activity.	<ul style="list-style-type: none"> ▪ Application review ▪ Geographic filtering ▪ Traffic/trend analysis ▪ Program audits ▪ Payout review

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Advertiser Activity	Definition	Network Quality Method
Down Tracking	The tracking pixel appearing on the advertiser shopping cart is disabled or removed from the advertiser confirmation page.	<ul style="list-style-type: none"> ▪ Action tracking report ▪ Traffic/trend analysis ▪ Pixel error notification ▪ Community policing ▪ Program audits ▪ Reporting by client
Lead Flipping	Advertiser takes unqualified leads at the time of sign-up and flips them to another advertiser for fulfillment, usually earning a commission in the process. This represents direct competition with publishers.	<ul style="list-style-type: none"> ▪ Community policing ▪ Program audits ▪ Reporting by client
Selective Tracking	Advertiser only pays commissions for some purchases on Web site or certain lead forms submitted.	<ul style="list-style-type: none"> ▪ Community policing ▪ Program audits ▪ Reporting by client
Illegitimate Reversals	Advertiser reverses legitimate leads or sales, or when customer returns or exchanges product, advertiser reverses original referral.	<ul style="list-style-type: none"> ▪ Traffic/trend analysis ▪ Program audits ▪ Reporting by client

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Commission Junction, a ValueClick company, is a leading provider of online performance-based marketing solutions that enable advertisers to forge strategic online relationships with publishers, driving superior results for both clients.

