

TERMS & CONDITIONS OF THE OTTO AFFILIATE PROGRAM

The following terms apply to participation in the OTTO Affiliate Program. The Affiliate Program gives you the opportunity to display advertising from OTTO (GmbH & Co KG, hereafter referred to as "OTTO") on your website (hereafter referred to as "Partner Website") and to earn advertising revenue in this way. This is done by placing links to the OTTO website www.otto.de on the Partner Website. This Contract is made between you and OTTO, Werner-OTTO-Strasse 1-7, 22179 Hamburg, Germany.

Section 1 Object of the Contract

(1) OTTO will use this platform to provide you with a selection of image and text links (hereafter referred to as "Links") for use on your website, as specified in the Contract. You may only incorporate these links on your website according to the following rules.

(2) The links identify your website within our partner network and establish the connection from your website to our website. A connection to our website may only be established through these links. The links may point to different areas of the OTTO website.

(3) As part of the Affiliate Program, OTTO works with a specifically developed dynamic attribution system. This model allocates an effective share to each clicked-on advertisement that played a role in the ordering process. Every Publisher who was involved in an order is thereby awarded a share of the revenue. The allocation of revenue and calculation of the advertising commission in an order confirmed by OTTO is made after calculating the various attribution values. An order is confirmed by OTTO if it is not returned or cancelled, is paid by the customer and none of the exclusions of commissions according to Section 3(2) apply.

Section 2 Exclusions

(1) To participate in the OTTO Affiliate Program, you must be at least 18 years old and have the legal capacity to form a contract.

(2) Premium Partners of OTTO are excluded from participating in the OTTO Affiliate Program.

(3) Partner Websites that use a banner and/or meta networks are excluded from participating in the OTTO Affiliate Program.

(4) Partner Websites that use a rebate system with a monthly or annual fee are excluded from participating in the OTTO Affiliate Program.

(5) Partner Websites that use a bonus or cash-back program are excluded from participating in the OTTO Affiliate Program.

(6) Partner Websites that use a gift certificate portal are excluded from participating in the OTTO Affiliate Program.

(7) Exceptions to the foregoing exclusions require the express approval of OTTO's Online Marketing Department (MA-CS-OM).

Section 3 Calculating Your Advertising Revenue

(1) In calculating your advertising revenue, we count only revenues received by OTTO based on the sale of OTTO products to customers who selected our website using a link from your website prior to purchasing. Such sales will be taken into account when calculating your advertising revenue, provided the sale, delivery and full payment for the goods are concluded, less returns, value-added tax and credit notes. We reserve the right to demand the return of the commission paid in the case of full and partial returns, if applicable. Only one order per session will be remunerated.

(2) The following orders are excluded from remuneration when calculating advertising revenue:

- Orders from customers and employees of the OTTO Group entitled to a monetary advantage from OTTO for their orders;
- Revenues from other companies of the OTTO Group, even if abroad;
- Orders based on gift certificates and merchandise vouchers;
- Commercial orders;
- Orders via One-Stop-Shopping Partners;
- Shopping carts with a net order value below Eur. 15.00.

(3) Advertising Commission

OTTO uses basket tracking to calculate the advertising commission on orders placed through the OTTO Website. The advertising commission awarded is based on the products or product groups sold, the customer's status and the segmentation of your Partner Website within the Partner Network.

The commission rates listed on the Platform apply.

It is not possible to manually add advertising commission entries in the OTTO Affiliate Program if sales are not tracked in the Partner Network (additional commission), unless it involves a technical tracking failure caused by the OTTO system. A technical tracking failure must be confirmed by both the Partner Network as well as OTTO. This does not affect individual agreements.

Section 4 Utilization Rights

(1) You receive a non-exclusive, non-transferable right which may be revoked at any time, to access the OTTO website using the links in accordance with the terms of the Contract. Moreover, you have the right to use the OTTO logo and other materials provided for purposes of advertising for the OTTO website only in conjunction with such links. This right applies only for purposes of establishing links between your website and the OTTO website that allow your users to purchase OTTO products. You may not revise or alter the licensed material in any way. Any breach of the aforementioned agreements gives OTTO the right to terminate the Contract without notice.

(2) The rights under Section 4(1) will expire once any termination of this Agreement comes into effect, and you promise to immediately and completely remove the links placed on your website.

Section 5 Program Rules

(1) You bear the full responsibility for setting up, operating and maintaining your website and for all materials that appear on your website. This responsibility specifically relates to the technical operation of your website and the required technical systems. You specifically guarantee that your website is free of pornography, portrayals of violence (sexual violence, killing of people or animals), discriminatory depictions of persons, insults, content that is extremist, politically radical or harmful to youth, plays down or glorifies drugs and weapons and does not use appropriate language (sexualized, coarse, blasphemous etc.) and does not generate links to other websites that have such content.

(2) As long as you use links provided by OTTO, you must regularly update the information and links connected with OTTO products and delete any obsolete links and content, unless these are dynamically maintained or changed by OTTO. You must keep the OTTO links and content continuously updated, and you are obliged to review your website at least once a week for possible changes to the information and links. Instructions from OTTO regarding the technical installation and maintenance of links must be observed without fail. In order to ensure accurate accounting, use only those links which OTTO provides to you.

(3) You may place OTTO links only on the website that has the address (URL) you listed on your Application. If you have multiple URLs on which you integrate the OTTO links, you are obliged to list these on your OTTO Affiliate Program Application. You must inform OTTO one month in advance of any change of your website's domain, any change of the content organization of your website or its commercial purpose. It is permissible to continue placing links under the new domain, unless OTTO objects to such use. The same applies as well if you change the content organization or the commercial purpose of your website.

(4) You must operate your website independently and bear sole responsibility for its content for purposes of Section 7 TMG [German Telemedia Act]. You must observe the rules and obligations of Section 11ff. TMG (in particular, you are solely responsible for observing the relevant rules of the TMG regarding the storage of cookies) and the BDSG [German Data Protection Act]. You must indemnify OTTO for all claims that arise against OTTO as a result of a breach of the data protection laws for which you are responsible.

(5) You are not authorized to make or accept offers on behalf of OTTO or to represent OTTO. Furthermore, you are not authorized to send products from OTTO to end customers in the name of OTTO and/or in your own name. You have no involvement in the processing of purchase contracts between OTTO and OTTO's end customer. You do not act as OTTO's commercial agent or commission agent. You must ensure that the design of your website gives no other impression. You must not provide third parties with any information from which they could gain such an impression.

(6) You must not set up your website in a way that risks the likelihood of confusing it with the OTTO website, or gives the impression that your website is the OTTO website or a part of the OTTO website. You must not use any materials belonging to OTTO on your website for which you have not obtained the consent of OTTO's Online Marketing Department (MA-CS-OM). Your domain name and the meta-text of your website must not contain the words "OTTO" or "OTTO.de." You must not engage in any anticompetitive advertising; the naming of offers, campaigns and credits from OTTO which are not available, are expired or are not approved is specifically prohibited. The foregoing also includes, but is not limited to, the fact that the metatext of your website may not contain any OTTO offers that are not available, are expired or are not approved. You must not distribute any other advertising materials, directly or indirectly, which refer to OTTO without having presented such material to OTTO's Online Marketing Department (MA-CS-OM) and receiving written approval. The aforementioned approval must be specifically sought if you wish to run advertising for your own website on a third party website or in other media using the aforementioned materials, or by making reference to OTTO. In all cases, you must ensure that your website or advertisement is not perceived as OTTO's website or as advertising placed by OTTO through the use of the aforementioned advertising means or the OTTO name.

(7) When advertising your website in the advertising spaces of search machines or sponsored links, in the paid placement of advertisements, in keyword advertising or keyword targeting (e.g. Google AdWords etc.) by vendors (e.g. Google, Yahoo, MIVA etc.), the following must be observed: The words "OTTO" and "otto.de" or typos of these words may only be used after obtaining the written consent of OTTO's Online Marketing Department (MA-CS-OM), and then only on condition that you are advertising your own website and not OTTO's website. Direct transfers to the OTTO website are not permitted.

If we provide you with such approval, the words “OTTO” and “otto.de” may only be used in the advertising text, but not in the title of the advertisement. You may only use the address (URL) that you provided on your Application as the visible URL in the advertisement. If that domain has changed, refer to Section 5(3). If you have not obtained explicit authorization to use the words “OTTO” and “otto.de,” you are required to prevent delivery of any search machine advertising or sponsored links, for example by cancelling bookings with that vendor.

(8) You are not authorized to make or accept offers on behalf of OTTO or to represent OTTO on social media networks such as Facebook or Twitter. Furthermore, you are not permitted to carry on any form of paid advertising placement on such platforms that link directly to the OTTO website, whether in purely text form or in connection with the OTTO logo.

(9) Social media posts and editorial articles, for example blog spots, that contain OTTO links must be labeled as paid advertising. Such labeling must be clear and unequivocal in the German language (e.g. “Anzeige,” “Werbung” [Advertisement]) and be clearly separated from other references, e.g. at the beginning of an article.

(10) Emails containing advertisements for OTTO may be sent only with the prior written approval of OTTO’s Online Marketing Department (MA-CS-OM). If this is obtained, you are required to submit drafts of the advertising emails to OTTO’s Online Marketing Department (MA-CS-OM) for written approval. You may send such advertising emails or newsletters only to recipients who have verifiably agreed to receive advertising emails using the Double Opt-In procedure (DOI) according to the statutory provisions. Should third-party claims be asserted against OTTO based on a promotional representation in a newsletter or advertising email, you must, upon first request, indemnify OTTO from all third-party claims and from all costs which accrue to OTTO in defending such claims.

(11) Advertising media provided or permitted for a partner segment may not be transferred or applied to a different partner segment.

(12) The automated transformation of words in news items or blog articles into OTTO Affiliate Program tracking links requires the express written permission of OTTO’s Online Marketing Department (MA-CS-OM). In this respect, OTTO will define the desired parameters or carry out the desired exclusions at its own discretion. You shall ensure that the link is used exclusively in connection with shopping and lifestyle articles.

(13) The use of OTTO partner links in toolbars, whether the Affiliate’s own or third party toolbars in which the Affiliate is registered or with which the Affiliate cooperates, is prohibited. Furthermore, any changes made to browsers in the form of plugins or software which take a user who is already on the OTTO website away to an Affiliate site, or that respectively use an Affiliate cookie, are prohibited. An example of this is overlays that are

superimposed on the OTTO website and thus give the appearance of being part of the OTTO website. Any other use of plugins or tools of any kind must also be coordinated with OTTO before this form of advertising is used. Existing Partner Websites that currently use a similar form of advertising likewise need to report these immediately and seek approval for further advertising using these forms. In cases of violation, the Partner Websites concerned will be removed from the OTTO Affiliate Program using the partner links, and there will be no claim to advertising commissions that were generated in this way.

(14) The generation of OTTO cookies is permitted only if an OTTO advertising medium is used, it is visible and the generation of cookies takes place following a deliberate click by the user. You are forbidden to invisibly integrate the OTTO online store in order to generate a cookie with the user. You are generally forbidden to use iFrames, pop-ups, pop-unders and layer advertising media which load OTTO advertising media or the OTTO online store and set up a cookie with the user without their concurrence. Registering in so-called adware networks (e.g. Zango/Hotbar) is also prohibited. Orders generated on the basis of an electronic notice to the user (browser plug-in, adware etc.) that could still “carry with it” bonus points or other additional remuneration or bonuses will not be tolerated and advertising commissions that are made in this way will be cancelled. Only sales with a valid origin resulting from a regular marketing action on your website or advertising space will be remunerated. Post-view tracking is prohibited, unless OTTO’s Online Marketing Department (MA-CS-OM) has provided express written consent for the use of this method. If OTTO has provided such written consent, a maximum of one cookie may be used for post-view delivery.

(15) The use of so-called “forced clicks” is likewise prohibited.

(16) Crawling of the OTTO website is prohibited.

(17) If third-party claims are asserted against OTTO based on violations of the foregoing provisions or based on circumstances which arise in connection with the setting-up, operation or maintenance of your website, including its content, or based on any other advertising measures for which you are responsible, you must indemnify OTTO at its first request from such third-party claims, including the costs connected with defending against such third-party claims, unless the claims are based on advertising media or product data provided by OTTO and you have fulfilled your duty to keep the information and data up to date in accordance with Section 5(2) of these Terms of Participation. You are, moreover, obliged to support OTTO in defending against such third party claims by providing statements, in particular affirmations in lieu of an oath, as well as by providing other information. You are to refrain from all actions which interfere with the functionality of the software or the system (e.g. mail bombing, etc.) and are liable for all damages which OTTO incurs through such actions caused by you.

(18) In case of breach of the terms listed in this Agreement, OTTO will warn you about such behavior and, if applicable, temporarily deactivate your account until it is definitively corrected. Should you fail to correct the breach within the period set by OTTO, OTTO is entitled to cancel your participation in the OTTO Affiliate Program without notice. In the case of an exclusion, open transactions will be cancelled and not remunerated. In every case of violation of one of the foregoing provisions of this Section 5, OTTO is entitled to demand a contract penalty from you. The amount of the contract penalty will be determined by OTTO in its own discretion, and the amount may be reviewed by a competent court. Specifically, the amount of the contract penalty will be determined according to the type and nature of the relevant duty, the degree of fault, the extent of the infringement, etc.

Moreover, the right to take additional legal action is expressly reserved, including the assertion of claims for compensatory damages. Any forfeited contract penalty will be offset against a claim for compensatory damages.

Section 6 Amendments to the Contract

OTTO reserves the right to change the rules and provisions of this Agreement at any time. We will inform you about any changes via e-mail with 14 days' notice. If a modification is not acceptable to you, you still have the option of terminating the Agreement. Your continued participation in the OTTO Affiliate Program after the beginning of the validity period for these changes will be considered acceptance of the changes by you. We will inform you about these legal consequences when we inform you about the change.

Section 7 Confidentiality

(1) Unless otherwise provided in this agreement or the other party consents, all information, specifically the terms of this Agreement, company and financial information, customer and seller lists including pricing and sales information is to be treated with strict confidentiality and such confidential information may not be used by you either directly or indirectly for your own financial purposes or for any other purpose. This does not apply to relationships between OTTO and companies affiliated with OTTO for purposes of Section 15 et seq. AktG [German Companies Act]. This confidentiality obligation will continue to apply beyond the termination of this Agreement for a period of three (3) years.

(2) Press releases regarding the collaboration based on this Contract are to be coordinated with OTTO and require OTTO's written consent prior to publication.

(3) This does not apply to the extent that such information is known or accessible by the general public through generally available sources that are not sources belonging to the respective party. Regardless of this rule, either party is entitled to disclose a copy of such information when there is a corresponding court or administrative law order, the

information is disclosed to accountants, lawyers or other parties bound to confidentiality or if there is a legal obligation to do so.

Section 8 Guarantee and Liability

(1) The OTTO website will be operated by OTTO as far as technically possible. OTTO makes no promises or guarantees regarding the OTTO Affiliate Program, OTTO products and the usability and availability of the OTTO website free from defects and interruptions.

(2) In the case of intent or gross negligence, including that by legal representatives and agents, OTTO is liable in accordance with the statutory provisions. The statutory provisions also apply in the case of damages culpably caused by injury to life, body or health, damages caused by the lack of a guaranteed quality and in the case of fraudulently concealed defects. In the case of damages to property and financial losses caused by OTTO, its legal representatives or agents as a result of ordinary negligence, OTTO is only liable in the case of a breach of a material contract duty, and then limited to the amount of contract-typical damages foreseeable at the time the contract was concluded. Material contract duties are those the fulfilment of which makes the proper enforcement of a contract possible at all and compliance with which the contracting parties regularly trust and may trust. Liability according to the "ProdHaftG" [German Product Liability Act] remains unaffected. Otherwise, OTTO's liability is excluded.

Section 9 Miscellaneous Provisions

(1) German law applies to this Agreement. Insofar as you are a businessperson for purposes of the "HGB" [German Commercial Code], a corporate body under public law or special fund under public law, Hamburg is agreed as the exclusive court of jurisdiction. OTTO reserves the right to file suit against you at your court of jurisdiction. This Agreement is not transferable without our written consent. OTTO is entitled to transfer its rights and duties under this Contract to companies in which OTTO or one of its shareholders participates directly or indirectly, or respectively to assign them rights under this Contract.

(2) Should individual provisions of this Agreement be or become legally ineffective or unenforceable in whole or in part, this will not affect the validity of the remaining provisions of this Agreement. The same applies if the Agreement contains an omission. A suitable provision should take the place of the ineffective or unenforceable provisions or supply the omission, which, insofar as is legally permissible, comes as close as possible to what the partners would have intended had they considered this point when concluding the Agreement.

(3) This Contract becomes effective with the acceptance of your Application for Admission to the OTTO Affiliate Program and may be ordinarily terminated in writing by either party upon five (5) days' notice. The right of immediate termination without notice remains unaffected.

(4) No GTCs from the Partner's website will become components of this contract.

(5) As a customer, you promise to abide by the OTTO Group's Code of Conduct (available at <http://www.ottogroup.com/de/verantwortung/Dokumente/Code-of-Conduct.php>). In case of breach of any provision of the OTTO Group's Code of Conduct, OTTO will have the right to terminate your participation in the Partner Program.

Version: 11/01/2017